

Army review board says:

Zayad's terror links lack substantiation

By DAVID RICHARDSON
Jerusalem Post Reporter

A military review board last night recommended that OC Central Command, Aluf Amnon Shabak, reconsider his decision to order the expulsion of Khalil Abu Zayad, whom security authorities have alleged is a commander of Fatah in the West Bank.

In a surprise decision taken after a day of hearings in the Ramallah military court, the tribunal, headed by Aluf-Mishne Avi Gorfinkel, said that, "in spite of the legal and justified reason for issuing the expulsion order, and although the evidence we have heard links the peti-

tioner to the Fatah organization, there is nothing to link him directly with terrorist attacks.

"Therefore we recommend that the military commander reconsider whether, under the circumstances, and considering the role of the petitioner in Fatah, deportation is necessary in view of its extremely drastic and serious nature."

Earlier in the day, the High Court of Justice in Jerusalem had granted Abu Zayad an order nisi instructing the defence minister to show cause within three days why he should not refrain from deporting him. The court also issued an interim injunction.

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Cabinet discusses longer price freeze

By AVI TEMKIN
Jerusalem Post Reporter

The cabinet yesterday debated a price-freeze bill that would extend the current wage-price freeze beyond October when current emergency regulations will no longer be in force.

The legislative proposal was transferred to a ministerial committee for final drafting. The committee will determine until what date the freeze will be in effect.

Treasury sources told *The Jerusalem Post* after the meeting that the bill's only purpose is to signal to the public that there will be no price explosion in October, when the emergency regulations expire.

The cabinet is also to discuss in the near future legislation to replace the emergency regulations on labour relations. If passed, the law would mark a new form of government intervention in labour relations, which in the past were left to negotiations between management and labour.

Finance Minister Moda'i also told cabinet colleagues that in the past five weeks he had raised the issue of public-sector dismissals on five separate occasions with Histadrut representatives. So far, there has been little progress, he said. The government therefore decided that if the deadlock continues, it will take up the issue again next week. That decision is seen as a veiled threat, as Moda'i would be free then to propose the use of emergency regulations to implement dismissals.

Premier Peres reminded ministers that the economic plan is not complete, and urged quick cabinet action in drafting a programme for sustained economic growth. Economics Minister Gad Ya'acobi echoed Peres's appraisal, and warned that without such a plan unemployment could spread. In response, the cabinet approved in principle a five-year economic plan drawn up by Ya'acobi.

Three drown at beaches

TEL-AVIV. — Three people drowned off Tel Aviv and Bat Yam beaches yesterday, and the body of a person who drowned Saturday was washed ashore at Herzliya.

At 11 a.m., 45-year-old Henry Idelson, a French national staying at the Park Hotel, drowned off the Trumpeldor beach. At 2 p.m. 19-year-old Aziz Tamara of Ramallah drowned off the same beach.

These bring to four the number of drownings at the Trumpeldor beach since the beginning of the bathing season.

Lifeguards from the nearby Bograshov beach rushed to pull the bodies ashore, after being alerted by other bathers.

The Trumpeldor beach has no lifeguard and a sign there warns bathers that they enter the water at their own risk.

Sixty-year-old Rachel Benishvili drowned at 11 a.m. at a Bat Yam beach. Two MDA crews arriving on the scene failed to revive her.

On Saturday, 65-year-old Betty Segal drowned off Gordon beach in Tel Aviv as reported yesterday.

Yesterday, the body of 19-year-old soldier Yosef Mehadar floated onto the beach for the handicapped in Herzliya. Mehadar entered the water Saturday, and when he did not return, his friend notified police. The crew of a Navy ship searched unsuccessfully for him in the area.

Tel Aviv's lifeguards began working "to rule" last summer, to protect the city's fishing of all the temporary lifeguards and ignoring pay demands. Of 35 tenured and 24 temporary lifeguards, 27 are still employed.

More than 50 treated for typhoid in Haifa

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — The number of patients hospitalized for suspected typhoid fever passed the 50 mark yesterday.

Most of the patients are from the bay-side area suburbs, and are children. The majority are being held in an isolation ward at the Rambam hospital.

Experts believe the typhoid, like last month's dysentery epidemic in the suburbs, resulted from sewage seeping into the water supply.

Parents of children affected reacted with fear when they heard about the disease. They were unaware that the once-dreaded typhoid can be reduced to a short-term illness by modern treatment.

There is also considerable fear that jaundice may follow the dysentery outbreak.

Though most children have been inoculated against hepatitis, the incubation period is not yet completed, so there is no certainty that the inoculations will prevent another epidemic.

Yitzhak Oded adds: Mekorot general manager Yehzek Zakai yesterday called on Minister of Agriculture Arye Nehamkin and water commissioner Zemach Yishai to establish a national sewerage authority.

Zakai, speaking at a Mekorot board meeting in Tel Aviv, said if there had been a sewerage authority, the typhoid and dysentery outbreaks could have been averted.

Zakai said sewerage lines must be as far as possible from sources of drinking water. An authority would also consult Mekorot on sewerage projects.



An angry mourner kicks the body of a black policeman who was burned alive after the crowd spotted him yesterday at the funeral of assassinated lawyer Victoria Mxenge at the township of Rayi.

(Reuters telephoto)

Black policeman slain at S. African funeral

KING WILLIAM'S TOWN, South Africa (Reuters). — A member of a black tribal homeland's police force was stoned and burned to death yesterday at the funeral of a murdered South African lawyer, eyewitnesses said.

They said the incident occurred as thousands of mourners and anti-apartheid activists attended the funeral of black human-rights activist Victoria Mxenge.

Crowds of United Democratic Front (UDF) supporters threatened a van carrying policemen from the Ciskei homeland, where Mxenge's funeral was being held in the Rayi black township.

One of the officers panicked, jumped out of the vehicle and began to run away across a field.

The eyewitnesses said he was surrounded and stoned and burned to death. Two others, brandishing an automatic rifle, escaped.

A Reuters correspondent saw the corpse of a man in uniform with blood pouring from the back of his head and twigs and branches burning on his body.

Earlier, hospital sources said the death toll from township violence around Durban rose to 65 yesterday.

Speakers at yesterday's funeral, attacking Mxenge's death as the work of South Africa's racial segregation system, denounced the government and Zulu chief Gatsha Buthelezi's moderate Inkatha movement, which preaches a non-violent end of apartheid.

The speeches were militant even by the standards of recent funerals for black victims of the unrest sweeping the country.

Emergency government powers are partly aimed at curbing anti-apartheid speeches at burials, which

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South African Zulu Chief Gatsha Buthelezi visits Jerusalem's Old City yesterday.

(Yitzhak Harari)

Zulu chief arrives for visit, hopes for power-sharing plan

TEL AVIV (Itim). — Zulu Chief Gatsha Buthelezi who heads the moderate South African Black Inkatha Movement said yesterday that it would be a miracle if his country's white minority government abolished apartheid.

At the start of a 10-day visit here as guest of the government, Buthelezi told reporters that he wants South African President P.W. Botha to make a clear statement on power sharing in South Africa. (See related story, this page.)

"We are 72 per cent of the population and without parliamentary representation," Buthelezi said.

The Zulu leader said abolishing apartheid "sounds to me too much like a miracle to be true."

Buthelezi said he favours an arms embargo against South Africa but opposes economic sanctions as ineffective.

Buthelezi said the Israel government should lean on South Africa to grant blacks political representation.

He also said black leader Nelson Mandela should be freed, as no purpose was being served by his imprisonment.

PM forcing showdown with Shamir on Taba

By MICHAEL EILAN and ASHER WALLFISH
Jerusalem Post Reporters

The Alignment and the Likud were on a collision course yesterday over the issue of the Taba zone south of Eilat.

Prime Minister Shimon Peres intends this week to push Vice Premier Yitzhak Shamir to the wall, if he can, to test whether Shamir is willing to risk public condemnation as undercutting the peace process by refusing to go to arbitration with Egypt over Taba.

But Shamir said last night in an interview with *The Jerusalem Post* that he still thinks conciliation is the "best way" to resolve the dispute "considering the place and the circumstances." He said he "hoped" there would not be a coalition crisis over this issue since "there are far greater problems, such as the Jordanian-Palestinian delegation and terrorism." (See story below.)

(AFP reported yesterday from Alexandria that President Mubarak declared Egypt would not yield on its

terms for a solution to the Taba dispute — namely international arbitration.)

Peres yesterday met with Defence Minister Yitzhak Rabin and Minister without Portfolio Ezer Weizman to discuss the Israeli case over Taba as presented in a document drawn up by Air Force reserve brigadier-general Uri Talmor. Also at the meeting was Avraham Tamir, director-general of the Prime Minister's Office, who has extensive experience on all matters affecting Israel-Egypt relations and negotiations.

The maps and documents which Talmor reportedly showed the ministers are said to have shown Israel's case in an arbitration was "not devoid of a chance."

Peres's next move will be to give Shamir the Talmor file in advance of the inner cabinet session that is likely to be held on Wednesday when Peres will propose that Israel go to arbitration over Taba.

Peres will ask Shamir to let the

arbitration proposal go to the full cabinet next Sunday.

Shamir cannot be expected to agree to relieve the inner cabinet of the Taba issue, in which there was a straight tie between the Alignment and the Likud the last time the issue came up. Peres would like the full cabinet to discuss the arbitration proposal because he believes he could win a majority there.

Sources in the Prime Minister's Office said last night that Shamir's devotion, or lack of devotion, to peace would be illustrated by his decisions over the arbitration proposal. Shamir's remaining inflexible and preferring conciliation to arbitration, would be an indication that he was merely using the issue as an excuse to freeze the peace process with Egypt and with all of Israel's other Arab neighbours, the sources said.

The sources said last night that the Taba issue had been hanging fire for the last six months. Throughout this

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Shamir would prefer to avoid crisis

By MICHAEL EILAN
Jerusalem Post Reporter

Vice Premier and Foreign Minister Yitzhak Shamir shows no signs of changing his mind in the face of the latest Alignment offensive on Taba, but seemed to indicate last night that he would prefer to avoid a major coalition crisis over the issue.

In an interview with *The Jerusalem Post*, the Likud leader said he saw "no connection" between the brewing confrontation with Premier Shimon Peres over Taba and the latest statements by Alignment leaders about breaking up the coalition. (See separate story.)

"These could be psychological warfare, but my nerves are strong," he added.

Shamir did not say directly whether he would still refuse to transfer the Taba issue from the deadlocked inner cabinet to the cabinet plenum, saying only that "the inner cabinet was created for these sort of problems."

The vice premier, interviewed after a government Information Centre lecture on economics in Maoz Zion just outside Jerusalem, seemed eager to play down both the importance of the Taba issue and the prospects of a major coalition crisis. He

insisted, however, that conciliation was a far better way to resolve the Taba issue than the recourse to arbitration as is being demanded by the Egyptians.

He said that if the Alignment were to accuse him of being a hindrance to the peace process he would not see this as a "personal attack, and definitely not a reason to break up the government."

"I don't lose any sleep over it (Taba). There are far more serious dangers now such as the Jordanian-Palestinian delegation and the problem of terrorism."

Baram, Tsur see no future for coalition

By SARAH HONIG
Jerusalem Post Reporter

TEL AVIV. — The national unity government's life expectancy looked shorter yesterday, with both Labour Party Secretary-General Uzi Baram and Absorption Minister Ya'acov Tsur expressing doubts that the rotation agreement with the Likud would be carried out.

Their pronouncements came in conjunction with two related developments: Labour commissioning a public-opinion survey on whether the public prefers the national unity government to a narrow coalition, and Finance Minister Moda'i of Likud claiming to have classified Labour information about the party's intention to precipitate elections no later than next spring.

The Jerusalem Post reported last week that Labour has set up an embryo elections campaign headquarters to map strategy for a possible election early next year.

Speaking to political reporters at Labour headquarters yesterday, Baram stressed, "No decision as such not to live up to the rotation agreement has in fact been made."

"But I am not ready to say today — as I was several months back — that the rotation agreement will without a doubt be implemented. The government functioned tolerably well then."

"But today we have reached a total diplomatic impasse and we cannot wait a full year until there is some movement on the diplomatic front," Baram said. "I therefore believe

there will be suggestions that we not implement the rotation agreement. We will have to weigh these suggestions and there is now some question about whether there will indeed finally be rotation."

On the diplomatic front, Baram said the solution to the Taba problem is the key to diplomatic progress in the region. Without an agreement with Egypt, there will be no movement towards talks with Jordan, he said.

Baram said he believes the rotation agreement entails not only the rotation as such but also the way the coalition agreement is implemented. "The Likud is not living up to its part of the bargain satisfactorily," he

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Conditional okay to Jewish-Arab youth talks

By GREER FAY CASHMAN
Jerusalem Post Reporter

The Council for State Religious Education yielded yesterday to Education Minister Yitzhak Navon's call for meetings between Arab and Jewish religious pupils to promote tolerance and democracy throughout the population.

But council members stressed that such meetings would have to be strictly educational and would take place only between older pupils after thorough preparations acceptable to

both Jewish and Arab educators.

The council held a four-hour session at which it endorsed the fears expressed last week by Ya'acov Hadani, head of the ministry's religious-education division, that meetings between Jews and Arabs could foster intermarriage.

Similar reservations were expressed by council members with respect to close relationships between religious and non-religious Jews.

Navon told the council that the entire educational system must be

involved in education for democracy. Though he respects the sensibilities of the Orthodox community, he said, he is not prepared to exclude the state religious education network from programmes designed to enable Jews and Arabs to learn about each other.

A joint committee of council representatives and members of the ministry's religious education division will oversee all aspects of future meetings between Arab and Jewish religious pupils.

Peres and Histadrut condemn apartheid

Jerusalem Post Reporter

Prime Minister Peres said yesterday "Israel dissociates itself unconditionally from apartheid in South Africa."

He told the weekly cabinet session that Israel "cannot agree with discrimination on the basis of race, religion or colour."

Peres's statement followed a request by Communications Minister Amnon Rubinstein that the cabinet discuss the policy to be adopted towards the apartheid in South Africa. Peres suggested that Rubinstein

ask for his request to be added to the cabinet agenda.

Rubinstein told reporters later that he favoured discussing and condemning apartheid as a philosophy rather than the emergency regulations in South Africa as a policy.

These developments coincided with the arrival in Israel of Zulu Chief Gatsha Buthelezi for a 10 day visit (see story, this page).

ROY ISACOWITZ adds: The Histadrut Central Committee yesterday strongly condemned apart-

heid and the imposition of a state of emergency in South Africa.

The committee vehemently protested against "the discrimination and persecution of black trade-union leaders in South Africa and the use of unbridled force against the country's black civilian population."

It called on the South African government to immediately rescind the state of emergency and to open negotiations with the black leadership with the intention of scrapping apartheid.

Israelis now advised to carry arms in all Arab centres

By JOSHUA BRILLIANT
Jerusalem Post Reporter

Leaders of the West Bank settlers yesterday criticized the government for failing to provide sufficient security in the administered territories. Oniel Schneller, head of the settlements' council warned the situation could lead to the creation of a new Jewish terrorist underground.

The criticism and warning followed Saturday's stabbing of Ya'acov Reiter of Kiryat Arba in the old market in Hebron.

Meanwhile the coordinator of government activities in the administered territories, Shlomo Goren, advised Israelis to be armed and accompanied when entering densely populated Arab localities.

Goren, interviewed by the Army

Radio yesterday said the authorities cannot prevent attacks on Jews who — for example — go through the old Hebron market alone and unarmed. Jews going to densely populated Arab areas must be armed and see to it that they are accompanied, or that protection is provided, he declared.

An aide to Goren said later that people going to an Arab market or travelling a remote road in the Gaza Strip at night must take some "minimal" precautions. "We're not saying everyone should take an armoured vehicle along but something should be done. Personal security in the centre of Hebron is different from Tel Aviv," he said.

Schneller, the secretary-general of the Council of Jewish Settlements in

Judea, Samaria and Gaza, attacked Goren for "imposing the security burden on the citizens." "If a citizen must carry arms and arrange for his own protection in every densely populated Arab area, then someone walking in East Jerusalem must also arrange to be accompanied," he said.

"Thrusting responsibility on citizens, rather than on the security forces, is what led and could again lead to the need for independent organization for Jewish defence."

Eliyakim Haezini, speaking for Kiryat Arba's local council, charged that "those who are being paid to provide security are asleep. Everybody is asleep."

Security authorities yesterday

conducted a house-to-house search in the Hebron market in search of Reiter's assailants. The market was under curfew for the second day yesterday.

The authorities also blocked two entrances to the market, one of which may have served as the assailants' escape route.

Fifteen local merchants went to the town's appointed mayor, Zamir Shemesh, to condemn the stabbing and to request permission to open their shops.

But there was no word on when the curfew would be lifted.

Large security forces were on hand and Jewish settlers were more careful than previously, walking in pairs and looking around more.



An entrance to the Hebron market is blocked yesterday as the area remains under curfew following Saturday's stabbing of a Kiryat Arba man.

(Zamir-Scout HQ)

The weather at major Swissair destinations

	11.55	MIN.	MAX.	
AMSTERDAM	18	14	24	Clear
BRUSSELS	17	13	23	Clear
BUDAPES	17	13	23	Clear
CHICAGO	23	18	27	Clear
COPENHAGEN	17	13	23	Clear
FRANKFURT	17	13	23	Clear
GENEVA	17	13	23	Clear
HELSINKI	17	13	23	Clear
ROME	27	21	31	Clear
STUTTGART	17	13	23	Clear
VIENNA	17	13	23	Clear
ZURICH	17	13	23	Clear

For the latest weather conditions contact Swissair.

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THE WEATHER

	Yesterday's	Yesterday's	Today's
	High/Low	High/Low	High/Low
Jerusalem	31/21	30/20	30/20
Safed	30/20	29/19	29/19
Haifa Port	29/19	28/18	28/18
Thessalon	28/18	27/17	27/17
Nazareth	27/17	26/16	26/16
Afula	26/16	25/15	25/15
Somerton	25/15	24/14	24/14
Tel Aviv	24/14	23/13	23/13
B-G Airport	23/13	22/12	22/12
Jericho	22/12	21/11	21/11
Beersheba	21/11	20/10	20/10
Eilat	20/10	19/9	19/9

The Steipeller dies in Bnei Brak

Rabbi Ya'acov Israel Kanievsky known as the Steipeller, regarded as a leading authority on Halacha, died on Friday night aged 87. He was buried at the Zichron Meir Cemetery in Bnei Brak yesterday, with an estimated 60,000 of his disciples and admirers from all shades of the ultra-orthodox community in attendance.

Kanievsky, the brother-in-law of the Hazon Ish, was the doyen of yeshiva heads in Israel and the Diaspora, and president of the Hazon Ish kollel in Bnei Brak.

He was born in 1898 in the Ukrainian village of Stappola. He studied at a number of Ukrainian yeshivot and served in the Red Army. His first major work, *Sh'arei Tevuna*, published when he was 27, attracted the attention of the Hazon Ish, whose sister Miriam became his wife. Kanievsky followed his brother-in-law to Palestine in 1934.

Kanievsky wrote over thirty studies of halachic and talmudic problems. He continued to receive daily large numbers of visitors and adherents, students and supplicants.

He became ill with a kidney ailment two months ago.

Master plan to absorb Ethiopian newcomers

By JUDY SIEGEL
Jerusalem Post Reporter

Ethiopian immigrants are very young, with 52 per cent of them under the age of 18 and 80 per cent under the age of 34, according to a report - "Master Plan for Ethiopian Jewish Absorption" presented yesterday to Premier Peres by Absorption Minister Ya'acov Tsur.

The 136-page document describes in detail the characteristics and needs of the 15,000 Ethiopian Jews who have arrived here since 1978. While housing is the main problem, Tsur explained to reporters, job training will be the overwhelming future task.

The absorption of Ethiopian Jews will cost a total of \$300 million, with half of that amount needed for housing, he said. According to ministry director-general Meir Shamir, some 500 of the families are living in permanent homes in 20 localities. Tsur said 84 housing units have been made available to Ethiopian Jews in

HOME NEWS

Moda'i repudiates talk of cut in fuel prices

By AARON SITTNER
Jerusalem Post Reporter

Finance Minister Moda'i yesterday dashed all hopes for an early cut in the price of fuel.

Reacting to a statement by Energy Minister Moshe Shahal on Friday that the drop in world crude oil prices could bring fuel prices here down by about 8 per cent, Moda'i issued the following statement:

"Any announcement of impending reductions in the price of fuels in this country is a sham. The prices charged for various fuels here are set according to the so-called 'inventory Fifo' (first in, first out) method. That means that even if world prices of crude drop, our prices for (refined or residual) fuels are still pegged to the dollar-plus-cost levels of the oldest crude in our stockpiles.

"Accordingly, since our inventory of crude oil is good for several months, we would definitely be raising false hopes if we were to speak of lowering fuel prices in a matter of days or even weeks. Who would foot the bill for the difference between the prices the government paid for the old oil and the newer oil in the stockpiles if we were to lower prices?"

Shahal mentioned the possibility of a price break during a tour of Daliat al-Carmel on Friday, when he

was asked why petrol prices keep rising in Israel when world crude oil prices are dropping.

Shahal replied that he would ask Shimon Gilboa, director of the Fuel Administration, to submit a cost report sometime this week, which would include an estimate of the possible correlation between the decrease in the price of crude abroad and the price of fuels here.

Fuel pricing policy is one of the main points of contention between Shahal and Moda'i, the latter a former energy minister. When petrol and other fuel prices shot up recently, Shahal fumed because almost all of the increase was a hike in the Treasury's fuel excise taxes and, besides, higher prices were set without prior consultation with him.

Since more than half of the at-the-pump price of petrol reflects various taxes, the Treasury is naturally opposed to a cut in fuel prices.

An Energy Ministry source told *The Jerusalem Post* last night that the main beneficiaries of a cut in fuel prices would not be motorists but industrialists who use mazut, heavy residual oil, in their plants.

"If the user price of this big-volume product comes down, substantial savings will be possible in production and would permit our factories to produce more for export at lower cost," he said.

Funds okayed for Shipyards, but 250 will be dismissed

By YA'ACOV FRIEDLER
and AVI TEMKIN
Jerusalem Post Reporters

The cabinet decided yesterday to grant the troubled Israel Shipyards funds to operate to September, thereby insuring that the 700 employees of the government-owned enterprise will get their July salaries today. But the cabinet also approved the dismissal of 250 shipyard workers.

Finance Minister Moda'i and Transport Minister Haim Corfu are to draft a recovery programme for the shipyards and submit their recommendations to the cabinet at the end of September.

But shortly after the cabinet meeting, differences of opinion emerged between the two ministers. Moda'i maintained that according to the government's decision, no more than \$1.5 million will be transferred to the shipyards in the next two months. Corfu insisted that \$6 million should be injected.

The works committee at the shipyards immediately declared yesterday that the decision to dismiss 250 workers is "too high a price," noting that 500 men have already been laid off during the past five years.

A management spokesman told *The Jerusalem Post* that they have enough orders to keep a reduced staff busy until the big projects, for submarines and missile boats, can be started in one to two years, if they are obtained.

Three subs for the Israel Navy are to be built with U.S. funds, a new generation of missile boats is likely to be ordered by the Navy, and the Singapore Navy may order a missile boat, it was said.

"The Post" learned that the yard has bid on an international tender for the project by Singapore, and it is to be awarded by December.

In the meantime, the shipyard is continuing repair work for the merchant marine and bigger repairs for the navy which the navy's own yard cannot handle, in addition to building tugboats for the Ports Authority and the Navy, and two catamarans for a Lake Kinneret entrepreneur, and enlarging four Zim container ships.

During the cabinet debate, Moda'i proposed appointing a receiver, making it possible to pay the wages without any special help from the government. At the same time the recovery programme would be drafted.

But a majority of the ministers rejected this. Prime Minister Peres told Moda'i that if a receiver were appointed, the shipyard's reputation would be harmed and orders might drop.

ART FEAST. - The Israel Museum's exhibition of more than 200 paintings pledged to the museum - including works by Picasso, Rembrandt, Chagall, Renoir, Matisse - closes at the end of this week. More than 250,000 art lovers have seen the show.

BARAM-TSUR

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said. Likud ministers' votes in cabinet deliberations are a case in point.

He said he doubted a narrow Labour-led coalition will be a viable option, since Labour is not likely to give in to the religious parties' demands on the Who-Is-A-Jew question and on religious courts.

Even more outspoken was Absorption Minister Ya'acov Tsur, who spoke yesterday in a radio debate with coalition executive chairwoman Sarah Doron of the Likud.

Tsur said "Labour must not just slide into the change-over in the premiership, as if that were the natural thing to do. There must first be a careful deliberation in Labour on how this government is functioning. There is a clear option of early elections instead of the rotation agreement," Tsur said. The odds are more and more in favour of going to the polls rather than handing the premiership over to Yitzhak Shamir.

The subjects on which Labour and the Likud can agree are becoming fewer and fewer," Tsur said. "On the three issues at the heart of this government's existence, Likud ministers did not vote with Labour. Most Likud ministers voted against the Lebanon withdrawal, against the economic plan and for the death sentence for terrorists."

Doron warned Labour that if it precipitates early elections it will be judged by the nation as "unfair and lacking in credibility. To discover a year after signing an agreement with the Likud that there are basic differences in ideology, is unfair not only to the Likud but to the nation," she said. "To throw the country into an election campaign during an economic crisis, she added, 'is also unfair.'"

"It is clear that in a government with 25 ministers there will be differences, and people are entitled to vote as they see fit," Doron said. "After the vote, all carry out government policy (which is not what Labourites in the Knesset Finance committee are doing).

TABA

(Continued from Page One)

time, except for one month when Peres was totally engrossed in economic issues, the premier has been constantly trying to improve relations with Egypt.

As Shamir's Foreign Ministry sees it, there is no point making concessions to Egypt. Even if Egypt returned Taba to Egypt, the Egyptians would promptly seize on some other issue as an excuse to postpone or water down the normalization process.

Shamir does not entirely rule out arbitration as a second avenue, after conciliation has been tried, or at least formally proposed, by Israel. His stated objections to arbitration are therefore a relatively short-term position, which he nevertheless holds to be logical.

Shamir also holds conciliation to be worthwhile, because it is a process which can give something to both parties, whereas arbitration, which generally winds up with a winner and a loser, can generate a legacy of acrimony. In the Foreign Ministry several officials try to argue that if Israel were to win in arbitration this could put a permanent chill on relations with Egypt.

Foreign Ministry sources point out that nearly half a dozen of their officials have been working virtually full time for the past two or three years on preparing material about Taba. They are willing to believe that Talmor may conceivably have given Rabin new facts which Foreign Ministry researchers have failed to unearth, but they also speculate whether perhaps Rabin is being swayed by Talmor's interpretations of the same facts that their own researchers have collected.

Foreign Ministry sources also point out the crucial importance of the arbitrators' terms of reference or compromise.

The Foreign Ministry has already amassed a quantity of material dating back to 1906 and favourable to Israel's case and Ministry sources say that if Talmor has collected more of the same, it will avail little if the arbitrators do not range so far back in history. All the material commencing from the period half way through World War One and subsequently relating to the British Mandate era and the State of Israel is unhelpful to Israel's claims to Taba. The Foreign Ministry would be impressed, it is understood, if Talmor had found anything useful later than 1916.

Should the time come for Israel and Egypt to negotiate the terms of reference for the arbitration, or compromise, the positions of the two countries will clearly be influenced by the nature of the factual material from each period.

Energy Minister Moshe Shahal told *The Post* last week that Israel would demand an arbitration "as wide-ranging as possible", clearly inferring that the factual situation 80 years ago should be included.

Hunter College Alumnae

Please come to tea on Sunday, Aug. 18, 4.00 p.m. at

The King David Hotel
R.S.V.P. CAROLINE FELDMAN
rm. 125
King David Hotel
Jerusalem



Prime Minister Peres meets with U.S. Congressman Robert Garcia of New York yesterday in Peres's office. (Scoop 80)

Hispanic congressmen urge diplomatic ties with Spain

Jerusalem Post Staff

Visiting members of the Hispanic caucus of the U.S. Congress left Jerusalem yesterday for Madrid where they will urge the government to establish diplomatic ties with Israel without delay.

Robert Garcia, a New York Democrat, told Prime Minister Peres that their recommendation carried the full weight of the 13-member caucus and represents the sentiment of the American Hispanic community.

Peres told the delegation, whose members were guests of the Anti-Defamation League, that he appreciates their initiative. But Israel, said Peres, will not "humiliate itself" by repeated overtures to Spain for recognition.

Israel and Spain have never had

diplomatic ties. Spain has been asked by various European leaders to open formal relations with Israel prior to Spain's joining the EEC in January 1986.

"The Hispanic caucus has had an on-going dialogue with the Spanish government on this issue," said Garcia. "We hope to encourage Madrid to rectify this matter."

The visiting congressmen were told by Defence Minister Rabin and other government officials that Israel is not supplying weapons to the Contra rebels in Nicaragua. "We accept these assurances as genuine," said Garcia.

The other congressmen in the group were Albert Bustamante (Democrat, Texas), Matthew Martinez (Dem., Calif.), and Jaime Flusier (Dem., Puerto Rico).

Civil servants to accept shorter dismissal process

By ROY ISACOWITZ
Jerusalem Post Reporter

TEL AVIV - The Civil Service Union will shorten the process for dismissing public-sector workers if the process is strictly adhered to, union secretary Reuven Ben-Ami said yesterday.

Addressing a meeting of the union's branch secretaries at Histadrut headquarters here yesterday, Ben-Ami said he is willing to accept the Histadrut's recommendation that the process be shortened.

He insisted, however, that the first stage of the process, during which alternatives to dismissals are discussed, last for the full 14 days as

specified in the Civil Service Code.

Ben-Ami also demanded that first-stage negotiations take place on the branch level in each locality, between individual employers and the union branches. He rejected Civil Service Commissioner Avraham Natan's order to department directors to invite the union secretaries to Jerusalem for negotiations.

Histadrut sources said the order to centralize the talks in Jerusalem was "another attempt to pressure the unions into accepting dismissals." The Treasury fears that, in local negotiations, employers would agree to alternatives, instead of firings.

High Court turns down Lebanese appeal against IDF

The High Court of Justice yesterday upheld the right of a Lebanese to appeal to it for redress for what he claimed was Israel's seizure of his plastics factory during the war in Lebanon.

But having considered his petition, the court ruled that the IDF had acted properly when it seized the factory and transferred its equipment to Israel and saddled the appellant with IS1 million in costs.

Raymond al-Mawar claimed that he had acquired the factory in a village near Damour after the IDF had entered the area. Two weeks later, he continued, the factory was seized and its contents moved to Israel - in contravention of the Geneva Convention, he said.

In rejecting the appeal, the court

accepted the state's claim that the factory had belonged to the Fatah, as attested in publications put out by the organization.

The court said that an occupying army is entitled under international law to seize as war booty any public property on the battlefield - which, in the case of Lebanon, covered the whole area where fighting took place. In cases of uncertainty concerning the ownership of property - as in the present case - it was presumed to be public and thus legitimate war booty.

But at the same time, the court rejected the state's claim that al-Mawar had no right to seek redress in an Israeli court, noting that "the appellant is the owner of property that was seized and his case deserves a hearing in court. Civilians who do not represent a hostile body or the enemy, and who view themselves as having been harmed by actions taken by the IDF, can seek the help of this court." (Itin)

Defence agreement favoured by Helms

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV - U.S. Senator Jesse Helms (Republican - North Carolina) said yesterday he will initiate a defence agreement between Israel and the U.S. to include air strips, joint research and development and cooperation in other fields.

"Many Americans think that such an agreement would mean that American troops would fight in Israel. That is not so. I've met Defence Minister Yitzhak Rabin this afternoon and understood that Israel does not need nor want American troops to fight here," Helms told a press conference.

Helms, on a private visit together with Sen. Chuck Hefch of Nevada, met Prime Minister Peres, Vice Premier Shamir, Ministers Arens and Sharon and several Knesset Members.

Asked about U.S. arms aid to Jordan, Helms said he does not think arms should be given to any country which in even the remotest way might use them against Israel.

Asked about his position towards the West Bank, Helms stressed that after visiting "Judea and Samaria," he wholly agrees with the position that the area is not only important to the defence of Israel but is also part of this nation's heritage. He said that while some would have Israel compromise and give up land for peace, he himself is not known as one who compromises.

"As an American senator, I hope the American people will understand that Israel is the only reliable ally we have in this area which is anti-communist, with impeccable moral principles," Helms said.

A highlight of his visit, during which he met Israelis from all walks of life, was in the Hadassah Hospital where he met a group of doctors and nurses who had successfully removed a tumour from the brain of a three-year-old Arab child and were overjoyed.

"I wish the television programme 60 minutes or The Washington Post would see the human aspect of the Jewish-Arab relations. We hear that the Israelis and Arabs hate each other, but we saw here that in America the real situation is not understood," Helms said. Helms and Hefch were hosted by former Herut Knesset member Michael Kleiner, who told *The Jerusalem Post* that Helms is the greatest friend Israel has in the Senate. Thanks to Helms there are now about 10 senators who are encouraging Israel not to give up Judea and Samaria," Kleiner said.

EXPULSION

(Continued from Page One)

tion barring any expulsion pending the outcome of the hearing.

The first part of yesterday's hearings before the tribunal were before an open court, but in the afternoon the judges heard evidence *in camera* and proceedings were closed even to Abu Zayad and his counsel, Advocate Amnon Zichroni.

In his petition to the High Court, Abu Zayad denied that he was a Fatah leader and said that the shop which he is alleged to have used as a cover for his contacts has been closed for 2 1/2 years.

He also said that his political beliefs call for a Palestinian state in the West Bank and Gaza alongside peace, and mutual recognition and peace between both states. These views have support among Israelis and are represented in the Knesset, he argued.

Abu Zayad's petition is to be heard on Thursday, together with that of 12 convicted terrorists released in the recent prisoner exchange who have been served with expulsion orders because they do not have residence permits for the West Bank.

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The Family

Handwritten Arabic text: كذا في الحاصل

Whiff of political dynamite in court

'Leading public figure' linked to land scandal

TEL AVIV (Itim). — The defence attorney representing two Bar Yoram men suspected of involvement in illegal land deals in the West Bank claimed in the district court here yesterday that his clients were being used as a cat's paw in police attempts to get at the prime suspect in the case — a very high-ranking public figure whose name he refused to reveal for security reasons.

Menahem Rubinstein, representing Yehoshua Mizrahi and Avraham Selim, agreed to write the name of the public figure on a slip of paper, which he then handed to Judge Uri Strosman.

At this point, prosecutor Rachel Shiber asked that the court be cleared and that the session proceed in camera — a request turned down by Strosman.

Rubinstein had earlier told the court that the current police investigation had little to do with his clients, but "concerned suspect land transactions in the West Bank some two or three years ago."

The police, he charged, had a file of complaints from some 200 West Bank residents who claimed that "their land had been taken from them through threats, force and extortion."

"The chief investigating officer then asked to see the file," Rubinstein continued, "only to discover that it was completely empty — he found only the cover; everything inside it had vanished."

A new investigation was ordered — and this, Rubinstein claimed, "centred on this key figure who, for reasons of state security, I will not name."

Rubinstein further claimed that the police are concentrating on his clients in the hope that they would

"spill the beans on this man and his activities, and his connection with political circles in the country."

The man in question, he charged, "has neither been investigated nor arrested."

Shiber, for the prosecution, denied Rubinstein's charge that the police are really interested in reopening an old investigation, and said she knew nothing of any missing police file.

She did, however, concede that the central figure whose name Rubinstein revealed to the judge "has not yet been arrested." But she insisted that his clients are not expected to provide any evidence against him.

The present investigation, the prosecution insisted is primarily interested in establishing how Mizrahi's fingerprints had found their way onto a fraudulent land-sale document found when police raided Selim's Bar Yoram apartment last month.

She claimed that what was taking place was an elaborate political game: "If the appellants (Mizrahi and Selim) are indeed able to bring down governments, as they claim — let them go ahead and present the evidence."

Rubinstein said, "The whole affair is a bundle of dynamite. I, at any rate, have not thrown names around, and neither have I gone into details."

The court is to decide today or tomorrow whether or not to accept Mizrahi and Selim's appeal against the prosecution's demand that they be remanded for a further 15 days — the original purpose of yesterday's remand hearing until it was overtaken by the charges made by the defence.

Herzog puts off costly Far East trip

By JUDY SIEGEL
Jerusalem Post Reporter

President Herzog has decided to postpone until next year a trip to Australia, New Zealand, Fiji, Papua New Guinea, Burma and another yet unnamed, Asian, country, though the cabinet yesterday voted its approval of the journey.

Herzog's decision reportedly resulted from his concern that it was unwise to make such a long trip when the public is being asked to tighten belts. The trip would reportedly cost \$250,000.

Last month, departing from the usual procedure of asking for formal cabinet approval of his plans to go abroad, Herzog put the whole question in the lap of the foreign minister, and said he would abide by the government's decision.

The Foreign Ministry had been pressing Herzog to make the trip because Australia is a key country in the region, which is regarded as an important market and a vital source of potential political support.

Australian Jewry even offered to supply two small planes to take Herzog's party to the various countries

in the area, after learning that Herzog was hesitating over the cost of the trip.

The official invitation to Herzog was sent by the governor-general of Australia a year ago, and Foreign Ministry officials felt they could no longer postpone answering. The ministry will now sound out the various countries involved to determine when it would be convenient next year for Herzog to make his official visit.

Byron Society meets at Haifa University

HAIFA. — The Byron Society is to open its 12th international seminar at the University of Haifa today. Some 50 Byron experts from seven foreign countries and Israel will take part in the three-day meet.

This is the society's first meeting in Israel. Emphasis will be on the 19th century romantic poet's biblical and religious themes, particularly the poems he called "Hebrew melodies."

No explanation as U.S. ships call off visit

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — A scheduled rest-and-recreation visit by three nuclear-powered combat ships of the U.S. Sixth Fleet was called off at the last moment without explanation yesterday morning.

The aircraft carrier USS Nimitz; guided-missile cruiser USS South Carolina and guided-missile destroyer USS Dewey have a combined complement of some 7,000 seamen and aviators, and were to have stayed in port for four days.

All preparations for their reception had been completed, including an advance party that had come to Haifa to prepare the stay. But two hours before they were due at 8 a.m., the port was informed that the visit was called off.

A U.S. Embassy spokesman had no comment on the cancellation and did not know whether the visit would take place at a later date.

The Nimitz had been operating at the head of a task force off Beirut in connection with the recent hijacking of a TWA plane.

Woman saved by 'dry dialysis' treatment

Jerusalem Post Reporter

HAIFA. — A "dry dialysis" developed during the Lebanon war to treat soldiers suffering from critical infection has saved the life of a young pregnant woman.

The Kupat Holim Clalit spokeswoman reported yesterday that the patient was treated at the sick fund's Central Emek hospital in Afula, where the method was developed.

The 18-year-old woman was hospitalized in Rothschild Hospital, Haifa, nearly two months ago, suffering from infection shock resulting from hepatitis. She was in her 32nd week of pregnancy and the embryo died.

She received intensive care at Rothschild for 50 days, but the infection was not cured. Ten days ago she was taken to the Afula hospital and given the new infection treatment.

"Her condition improved considerably, her vital organs are again functioning" and yesterday she was returned to Rothschild for further treatment. She still needs artificial respiration for the time being, the spokeswoman said.

Child molester jailed

KIRYAT GAT (Itim). — A 62-year-old resident of Kiryat Gat was sentenced yesterday to one year in prison and a one-year suspended term for committing indecent acts on girls aged three to nine years.

Baruch Ben Ya'acov was arrested last month following parents' complaints. During the course of their investigation, the police learned that he would lure the children to his apartment, sometimes singly and sometimes in groups.



A perfectly preserved Canaanite sword more than 3,400 years old is demonstrated by an Israel Museum curator. The sickle-shaped metal sword, retrieved with a bounty of other Canaanite objects from the wreck of a ship off the coast between Atlit and Haifa, is on display in a new exhibition at the Rockefeller Museum in East Jerusalem.

(Yaakov Harlap).

Jerusalem water shortages to continue two more weeks

By YITZHAK OKED
and Itim

Cuts in water supplies will continue in Jerusalem for at least another two weeks, Mekorot, the national water company announced yesterday. Repairs will take several days, the firm said.

Reductions will be felt especially in higher parts of the city, including Tsameret Ha-Bira, Givat Hamivtar and French Hill. Very hard hit by the cuts has been the Anatot settlement northeast of the city.

The water shortages are due to a freak series of accidents, according to the Mekorot spokesman.

In northern Jerusalem, the water shortage is due to the breakdown of a municipal valve. Elsewhere, shortages have been caused by frequent cuts or reductions playing havoc with well pumps, the spokesman said. He said several wells are now out of order as a result and will take several days to repair.

During the weekend, Mekorot managed to refill artificial reservoirs serving Jerusalem which were nearly drained during last week's shortage.

The spokesman said Mekorot had stopped supplying water to farmers in the Jerusalem corridor to push as much water as possible to Jerusalem.

Jerusalem is receiving approximately 10,000 cubic metres of water less than needed according to Uri Meir, deputy director-general of Mekorot.

In Anatot, residents were drawing water from a spring which had served Jerusalemites during the British Mandate. The settlement, which has been without water since Friday, received a 10,000-litre delivery by tanker truck, but used it all within two hours. Anatot secretary Shimon Peer said.

Residents then brought jerrycans to the Ein-Farah spring in the Pisgat Ze'ev neighbourhood and drew water.

More dismissals feared in Haifa, labour council says

By YA'ACOV FRIEDLER

HAIFA. — Over 4,100 workers here are registered as unemployed, more than in Jerusalem or Tel Aviv and the labour council fears a considerable increase of dismissals from industry, the first to react to the recession. Yesterday's government ruling that another 250 workers are to be dismissed from Israel Shipyards was another blow.

The council spokesman told *The Jerusalem Post* if he had appealed to the government to grant favoured development area status to the areas hardest hit to revive industry and to create jobs.

Without such assistance Haifa will be "punished" for being a solid industrial city, which the government professes to favour, he said.

Haifa is so hard hit because it has relatively few job-secure civil servants and even fewer workers in

tourism, which is flourishing despite the recession, he said.

According to labour council figures, of the 120,000 salaried employees in the Haifa area, 70 per cent work in industry.

Haifa has 10,000 civil servants and 3,000 employed in the tourism and hotel industry.

The worldwide downturn in electronics has also aggravated Haifa's labour market. During the past several years high-tech industry had expanded rapidly in Haifa, but its future is now in abeyance.

The council spokesman said three areas have been particularly hard hit — Kiryat Ata and neighbouring Zur Shalom, as a result of the closure of the two Ata textile plants there, and Tirat Carmel, the suburb at the other end of the town where workers are almost exclusively engaged in industry.

Five Jewish terrorists ask for amnesty

Jerusalem Post Staff

President Herzog has so far received five amnesty requests from convicted members of the Jewish terrorist underground, his spokesman told reporters yesterday.

The requests received so far are from: Uri Maier, sentenced to 30 months in jail for his part in the 1980 West Bank mayors attack;

Dan Be'eri, who got three years for conspiring to blow up the Dome of the Rock and illegal possession of arms;

Gilad Peli, who got 10 years for his part in the Dome of the Rock and mayors plots (he was sentenced in June 1984, and received a substantially heavier sentence than those of his colleagues convicted on similar charges last month);

Yehuda Cohen, who got 18 months in jail in July 1984 for his part in the Dome of the Rock plot and has since completed his sentence; and Hagai Segal, the only one of the 15 terrorists sentenced last month to have submitted an appeal so far, who got three years for his part in the attack on the mayors.

The spokesman said the amnesty requests will be handled in the usual way, without any departure from standard procedure.

He noted that the president has received requests from various sectors of the public seeking clemency for the terrorists, as well as some appeals to turn down their amnesty requests.

Citizens' group for paratroop chief

By MENAHEM HOROWITZ
Jerusalem Post Reporter

KIRYAT SHMONA. — An action committee has been set up in the north in support of Tat-Aluf Yitzhak Mordechai, the IDF's chief paratroop and infantry officer.

Mordechai and other security personnel have been under investigation following the death of two terrorists who died in custody after being led away from the bus they had hijacked to the Gaza Strip in April 1984. He could face charges for his part in the incident.

The committee is based in Tiberias, Mordechai's hometown. It includes Menachem Shalit (Likud-Liberal), Tiberias Mayor Yigal Bibi, Upper Galilee Regional Council head Avraham Broshi, Metula Council head Benny Gurfinkel and former paratroop officer Shimon Kahanar of Kibbutz Neve Eitan.

A large part of Mordechai's army service in recent years has been in the north, which has earned him widespread support and respect in the region.

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WORLD NEWS

Moscow wants West Europe to act as U.S.-Soviet bridge

MOSCOW — The Soviet Union wants West Europe to act as a bridge with Washington in the run-up to the November summit in Geneva between President Reagan and Kremlin leader Mikhail Gorbachev, according to a top Soviet commentator yesterday.

Writing in *Izvestia*, the paper's senior political commentator Alexander Bovin said that Moscow believes the U.S. lacks the political will to reach compromises at the superpower summit on November 19-20.

He said Moscow is seeking improvements in U.S.-Soviet ties on a wide range of international topics at the summit, and not just on disarmament.

U.S. Assistant Secretary of State for European and Canadian Affairs Roxanne Ridgway said last week that the focus of the summit would be on arms control.

The Soviet Union is striving to understand U.S. interests and concerns, while Washington is inclined to forget that Moscow had similar

fears and commitments, Bovin said.

He rejected Western charges that the Kremlin sees foreign policy only in terms of the superpower equation, and said Moscow wishes to use its relations with Western Europe to act as a bridge to the U.S.

Before his meeting with Reagan, Gorbachev is scheduled to visit France and hold talks with president Francois Mitterrand.

"We want our European neighbours to use their transatlantic influence to boost the political culture, so

to speak, of their overseas ally," Bovin said in his article, headlined "The long run-up to Geneva."

He said journalists in East and West should guard against predicting surprise changes in relations as a result of the summit.

At the same time, he said failure to mark a turning point would make it difficult for the superpowers to restore détente, disarm and escape from a "period which is fraught with crisis situations."

Youths hurling petrol bombs dispersed by Belfast police

BELFAST (AP) — Police fired plastic bullets to disperse Roman Catholic youths throwing petrol bombs early yesterday, hours before a Belfast rally marking the 14th anniversary of internment without trial.

The Royal Ulster Constabulary said seven people were arrested in West Belfast, but no serious damage was caused during four hours of sporadic petrol bomb attacks.

The latest clashes followed rioting Saturday linked to a pro-British march by 15,000 hardline Protestants in Londonderry.

Police and soldiers fired plastic bullets to thwart attacks by roving gangs of youths during day-long disturbances in Londonderry's staunchly Roman Catholic Bogside district.

The rally yesterday marked Friday's 14th anniversary of Britain's introduction of internment of terrorist suspects without trial in Northern Ireland. Britain abandoned the practice in 1976.

Last year, American IRA sympathizer Martin Galvin defied a British ban against entering the province and appeared at the annual internment rally. Police trying to arrest

him charged the crowd, killing one man and injuring 20 others with plastic bullets.

Galvin, publicity director for the New York-based Irish Northern Aid Committee (Noraid), ignored the ban for a second straight year and appeared Friday at an IRA funeral and press conference in Londonderry. He said he would not attend yesterday's rally.

The U.S. Federal Bureau of Investigation has identified Noraid as a source of money for the IRA's guerrilla war to oust the British from the Protestant-dominated province.

Noraid says it raises money to help widows and other victims of the sectarian strife.

Thousands of republicans, including a large party of Americans, marched through Belfast yesterday in the climax to a tense week of anniversaries in Northern Ireland.

The rally organized by Sinn Fein, political wing of the Irish Republican Army (IRA) guerrilla group, marked the anniversary of internment without trial for republican activists, introduced in 1971 and scrapped four years later.

Pope blames 'unjust situation' for racial violence in Durban

YAOUNDE, Cameroon (AP) — Pope John Paul II, on the fourth day of his swing through Africa, said yesterday that the "unjust situation" in white-ruled South Africa is responsible for the bloody rioting by blacks.

"Racial separation is inadmissible," the pontiff said in a statement issued by the Vatican spokesman. The pope appealed for an end to "every kind of discrimination" and for political freedom for all.

The spokesman said earlier that the pope would comment on the South African situation this evening when he addresses diplomats, but the rapidly deteriorating situation prompted the statement on the fourth day of his 12-day African tour.

Rioting in black and Indian townships of Durban has claimed at least 65 lives in five days.

"He (John Paul) profoundly deplores that the unjust situation is

fanning the different communities into bloody confrontation almost every day," the statement said.

It said the pope is continuously informed of the "tragic situation" and that he prays God "to inspire everyone concerned to completely accept sentiments of peace, justice and respect for others."

"Without the fundamental rights of man... there is no dignity at all," the statement said.

Yesterday John Paul celebrated mass and ordained 16 priests in Yaounde's central square, where the crowd was estimated at more than 100,000.

Thousands of others followed the service on television in the city's 40 Roman Catholic churches.

Hundreds of troops, riot police and plainclothesmen ringed the square. Dozens of security agents shielded the pope from the crowd as a military helicopter hovered overhead.

Defusion of Punjab tension my best achievement — Gandhi

NEW DELHI (Reuters) — Prime Minister Rajiv Gandhi said in an interview published yesterday that India is likely to face terrorism for a long time, but that he had helped defuse tension in Punjab, and Assam states and in Sri Lanka.

"I think the country has passed through the most traumatic phase post independence... (but) we have come through it through the democratic process," Gandhi told *The Statesman*.

Gandhi was reviewing India's progress three days before it celebrates its 38th year of independence from British rule.

He also evaluated his own performance since succeeding his mother Indira, who was assassinated on October 31.

The mood of the majority of the Sikhs has changed and the atmosphere is congenial in Punjab, Gandhi said, referring to a peace accord he signed with moderate Sikh leader Harchand Singh Longowal two weeks ago to end a three-year-old Sikh campaign for religious and political concessions.

"The most important (achievement) would be defusion of tension in Punjab, (but) the problem is by no means over. We might have to face sporadic terrorism for a long time to come," he said.

The accord was rejected by hard-line Sikh leaders who said the pact

did not meet their major demands.

But it was expected to reduce Punjab's extremist violence which spilled over into New Delhi and other surrounding areas last May when several people died in a spate of bomb blasts.

Gandhi said a solution is likely soon to end the crisis in North Eastern Assam state where nearly 3,000 people have died in violence sparked by militant ethnic Assamese campaigning to evict what they say are 3.5 million illegal immigrants from Bangladesh, formerly East Pakistan.

Gandhi was expected to visit the state today to finalize an agreement between the militant leaders and his government, but the peace initiative appeared to stall after the protesters announced a strike on Independence Day.

Gabonese officer executed for coup

LIBREVILLE, Gabon (Reuters) — A Gabonese air force captain was executed at dawn yesterday for plotting to overthrow president Omar Bongo, sources close to the government said.

Capt. Alexandre Mandja was detained last May and sentenced on August 3 by a military court which also jailed two non-commissioned officers for life with hard labour.

Scores died of starvation, say Uganda's ex-prisoners

KAMPALA (AP) — Some of the hundreds of Ugandan political prisoners freed Saturday by the new military government told of deplorable conditions in which scores died of starvation or suffocation in jammed cells.

A total of 1,203 prisoners, 44 of them women, were released during a ceremony attended by an estimated 70,000 people in downtown Kampala.

All the prisoners had been jailed without trial during the four-year civilian administration of president Milton Obote, who was toppled in a coup July 27.

"This action by the military council marks the end of the injustices committed against these innocent citizens," Uganda's new head of state, Lt.-Gen. Tito Okello, said during the ceremony.

But most of the released prisoners who were interviewed held little hope that the government that liberated them would treat the people of Uganda any better than previous rulers.

"Throughout all the years Uganda has suffered, you have more or less the same kind of people doing the same kind of things," said James Namakajjo, one of the freed detainees. He was press secretary to president Godfrey Binaisa during a short-lived government following

the ouster of dictator Idi Amin in 1979.

"A coup d'etat does not solve the problems in Uganda when you have much the same people in control of the situation who have done the same things," he said.

"I don't know if other people are more optimistic than me, but I'm not very optimistic," he added.

Namakajjo, 38, said he arrived at Luzira maximum-security prison — where all the freed prisoners were — about a month ago after spending five months at Katikamu and Bombo prisons north of Kampala. He said he was arrested in February after trying to win the release of a Kenyan friend who had been arrested on suspicion of spying.

He said he was jailed as part of a group of 274 people, and in five months 68 of them died of hunger, suffocation or lack of medical treatment.

Mohamed Farooqui, who was a senior police official during Amin's regime and had spent more than six years behind bars before his release Saturday, called his prison experience "horrible and monstrous."

Farooqui, 65, said he was jailed April 15, 1979, five days after Amin was driven from power and into exile. He said he was detained on a charge of being dangerous to public security.

Reagan hoping aid will double Contra's strength

WASHINGTON — The Reagan administration, heartened by congressional approval for extra aid to Nicaraguan rebels, is hoping to more than double their fighting strength within a year, congressional and government sources say.

Earlier this month, Congress approved an administration request for an additional \$27 million in non-military aid to rightist rebels fighting the ruling Sandinistas. President Reagan signed the aid package on Thursday.

The vote reversed congressional rejection of new aid to the rebels less than three months ago.

Administration officials seem confident that the new vote will lead to further help, enough to double rebel strength and help them to force the Sandinistas to the negotiating table.

Independent estimates put at around 12,000 the strength of the Nicaraguan Democratic Force, the biggest rebel group.

Bangladesh frees opposition leaders

DACCA (Reuters) — Another Bangladesh opposition leader was freed from detention yesterday under a plan by military ruler President Hosain Mohammad Ershad to restore political activity soon, the government said.

K.M. Obaidur Rahman, a former minister under the assassinated president Ziaur Rahman, was arrested last March accused of trying to disrupt local elections.

Rahman is a leader of the opposition Bangladesh Nationalist Party (BNP) and of a seven-party alliance, both of which are headed by Begum Khaleda Zia, the late president's widow.

He was released on Ershad's personal orders a day after the government freed Tofael Ahmed, a leader of the opposition Awami League and a 15-party alliance, who was also arrested in March.

Chinese orphanages rescue pandas

PEKING (Reuters) — Panda orphanages in the southwest Chinese province of Sichuan have rescued at least 29 abandoned pandas, the New China News Agency said yesterday.

It said an orphanage run by one family raised 14 pandas, including a two-month-old baby named Yingxin which had been on the verge of death.

Sports

Russian clears 2.40m.

MOSCOW (AP) — Soviet high jumper Rudolf Povarnitsin set a world high jump record of 2.40 metres yesterday, according to Tass, the official Soviet News Agency.

The old world record of 2.39 metres was established by China's Zhu Jianhua in West Germany in June 1984.

Tass said Povarnitsin, a 23-year-old from Kiev, set the new mark in the semi-final of the Soviet National Cup held in the Ukrainian city of Donetsk. Povarnitsin improved his previous personal best jump by 14 centimetres.

Now for Chris

TORONTO (AP) — Claudia Kohde-Kilsch of West Germany continued her winning ways in the Canadian Open, beating Helena Sukova of Czechoslovakia 6-4, 6-4 by means of careful but unspectacular tennis, in one semi-final.

Now she encounters Chris Evert Lloyd in the final, after Lloyd wore down Hana Mandlikova of Czechoslovakia 3-6, 6-2, 6-4 in the other semi.

"I'm going to attack Chris," Kohde-Kilsch said. "If I play from the base-line, I have no chance. I've lost to her every time. She doesn't make any mistakes. I'll go to the net."

Czechoslovakia's Pavel Slozil won the Austrian Open in Kitzbuehel, by beating Michael Westphal of West Germany 7-5, 6-2 in the final. Another Czech, Ivan Lendl, plays John McEnroe in the final of the Grand Prix tournament in Stratton, Vermont. Lendl overcame Jimmy Connors 6-0, 4-6, 6-4, but only after he had screamed at the umpire and linesman about a call they had made against him. McEnroe overpowered Seguso, a doubles specialist 6-2, 6-3 — Seguso only nine points off all McEnroe's serves.

Perkis to Canada

By JACK LEON

TEL AVIV — Shahar Perkis, ranked 57, is this week competing in the \$300,000 Canadian Open in Montreal, while his Davis Cup teammate Amos Mansdorf is taking part in a smaller Grand Prix tournament in Cleveland, Ohio, worth \$80,000 in prize money. Both events start today. Shlomo Glickstein is returning home to be with his wife Lena, who is expecting their first baby shortly.

Mansdorf opted for Cleveland, as his ATP world singles ranking (currently 112) was not high enough to give him direct entry to the 56-strong main draw in Montreal and he would have had to participate in the qualifying tournament. He is a direct entry in Oslo.

Israel lose to Dutch

By JACK LEON

TEL AVIV — Israel's national soccer team went down to a dismal 2-0 defeat at the hands of Dutch first division club Nijmegen on Saturday night, as they conclude their preparations in Europe for the World Cup qualifying games starting here next month.

In Melbourne, the Australian team, who play Israel in October in the World Cup, beat the Star of Belgrade 4-0. The teams ended a four-match series 2-2.

Kingman reaches 400

NEW YORK (AP) — David Kingman keeps hitting home runs. Meanwhile, Dwight Gooden keeps winning for the New York Mets, while the St. Louis Cardinals continue to keep pace.

Kingman became the 21st player in baseball history to reach the 400-home run mark on Saturday night when he connected in the first inning in helping the Oakland A's beat the Seattle Mariners 11-1. The home run moved him past Al Kaline on the all-time list, with Duke Snider next in line at 407. Kingman hit his 23rd homer of the season off Matt Young, by sending a 1-3 pitch into the left-field seats at the Kingdome.

Gooden eclipsed his 1984 victory total on Saturday while he increased his record to 18-3, including 12 consecutive triumphs, as the Mets beat the Chicago Cubs 8-3. The 20-year-old Gooden, who was 17-9 as a rookie last season, allowed nine hits, struck out nine and walked none.

American League: Saturday

California 9, Minnesota 1; New York 7, Boston 3; Detroit 5, Cleveland 4, 11 innings; Milwaukee 5, Chicago 2, 11 innings; Baltimore 9, Texas 6; Kansas City 4, Toronto 3, 10 innings; Oakland 11, Seattle 5.

National League: Saturday

New York 8, Chicago 3; San Francisco 6, Atlanta 5; St. Louis 5, Philadelphia 4, 1st game; St. Louis 13, Philadelphia 4, 2nd game; Montreal 7, Pittsburgh 5; Los Angeles 2, Cincinnati 1.

Botham makes it 74

LONDON (AP) — England all-rounder Ian Botham smashed 134 and set a new six-hitting record as Somerset trounced 499 against Northamptonshire in the English county championship on Saturday. Botham's ton raised his total of sixes this season in county cricket to 74.

The Rothschild Prizes Organization in Israel

NOTICE

- The Rothschild Prizes will be awarded by the Rothschild Prizes Foundation, upon the recommendation of research in the following subjects:—

Mathematics	Agriculture
Engineering	Social Sciences
The Biological Sciences	
- Each prize is to be of the value of \$ 10,000.
- The Board of the Rothschild Prizes in Israel in 1985 will consist of:—

Dr. S.Z. ABRAMOV — Chairman	Prof. LEO SACHS
Mr. WALTER EYTAN	Prof. ABRAHAM KOGAN
Prof. ROBERTO BACHI	Mr. JOSEPH KLARMAN
Prof. ZEEV BEN-HAYIM	Mr. ELIEZER SHMUELI

The Rothschild Prizes will be awarded by the Rothschild Prizes Foundation, upon the recommendation of the Board.

- The Prizes will be awarded for outstanding and original work, which has been published since the establishment of the State of Israel.
- Submissions of the names of candidates for the Prizes will be accepted by the Board of the Rothschild Prizes Organization, 16 Ibn Gvirol Street, Jerusalem 92430, up to December 1, 1985. Submission of the names of candidates for Prizes will be accepted only from:—
 - institutes of higher learning in Israel
 - deans of faculties (or their equivalents)
 - members of the Israel Academy of Sciences and Humanities
 - any person who has been awarded a Rothschild Prize, provided the submission by such a person shall only be for works in the field of learning in which he himself has received a Rothschild Prize.
- No submission can be accepted from any other person or institute.
- Award of the Prizes will be made about June 1986.
- Enquiries relating to the Prizes may be directed to the Secretary of the Rothschild Prizes Organization in Israel, 16 Ibn Gvirol Street, Jerusalem 92430, Tel. 02-665107.

August 1985

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WEEKLY REVIEW

Flash Point

It's Harder to Find a Middle Ground in South Africa

By ALAN COWELL

AFTER months of violence, South Africa's deep-rooted unrest spilled last week beyond its traditional boundaries and the imagery changed. As the authorities, continuing a three-week-old state of emergency, clamped tighter measures on black townships around Johannesburg and Port Elizabeth, violence blossomed in townships in Durban, previously viewed as quiescent and excluded from the emergency zone. The familiar emblems — black youths in conflict with white authority represented by the police and army — were replaced by other visions: blacks burning the homes and stores of Indian traders, with whom they had lived in uncertain peace for decades.



More than 50 deaths last week near Durban pushed the 11-month death toll to around 600, the most sustained bloodletting since the unrest in South Africa began spreading in September. Some suggested this was inevitable. The whites live far from black areas, while the Indians are close at hand. The relationship has never been easy between African blacks and the descendants of Indians who came in the 19th century as indentured labor, stayed on as entrepreneurs to become richer than most blacks and are favored but not totally embraced by the white minority.

The flaring of violence seemed to intensify the dilemmas facing President P.W. Botha, who was caught between problems of his own creation and solutions that seem beyond the reach of his white constituency to absorb. Even some of his closest followers seem unnerved by the nation's descent into international isolation and what is depicted by officials as anarchy and turmoil in many black townships. Mr. Botha is soon supposed to address provincial congresses of his National Party, which has ruled since 1948 as the custodian of Afrikaner values. His supporters say he had planned to announce extensions of the limited reforms introduced last year, which brought Indian and mixed racial people into Parliament as junior participants.

But the scope of such announcements now is clouded by other considerations: a need to appear strong in the eyes of white followers, and a need, too, to decide between further reforms risking reduced white support and a display of muscle, bringing further alienation from the black majority. South African commentators have been pondering an irony. For the first time since 1948, an Afrikaner leader is prepared to risk division within his own ranks, a hated notion for a people that regard unity as essential. A leader of 2.8 million Afrikaners is ready to talk of citizenship for black South Africans and of sex across the color line — ideas that gnaw at apartheid's doctrine of separation as a means of group survival.

Another Try at Diplomacy

WHILE the State Department publicly deplored the latest violence in South Africa last week, the White House was giving quiet diplomacy another try. President Reagan sent Robert C. McFarlane, his national security adviser, to Vienna to make clear to Foreign Minister Roelof F. Botha that South Africa's relations with the United States, its most powerful friend, are likely to deteriorate unless the situation is eased.

White House officials said no ultimatum was issued, and President Reagan said he will maintain the friendly approach he calls constructive engagement. But the officials said Mr. McFarlane had reiterated Washington's insistence that South Africa end the state of emergency in black townships and open discussions with leaders of all races.

The White House spokesman, Larry Speakes, said South Africa is conducting "a policy review." "We are very encouraged by what we heard," Mr. Speakes added. "To its credit," he said, South Africa is "taking into consideration the views of the United States Government and other countries."

Mr. Botha also met with a senior official of the British Foreign Office

in Vienna before flying to Frankfurt, Britain, the United States, West Germany, France and Japan are South Africa's main trading partners. He denied reports that he had promised to free Nelson Mandela, a leader of the African National Congress, who refuses to renounce violence as a condition of his release.

Mr. McFarlane warned Mr. Botha that Congress would probably approve limited economic sanctions against South Africa in September. The measure includes a ban on exports of goods for nuclear power facilities and computers, on private bank loans to the South African Government and on the sale of Kruggerand gold coins in the United States.

Mr. Reagan said at last week's news conference that he opposed sanctions in principle but that "some parts of the bill could be helpful." He declined to say whether he would veto it.

The State Department spokesman, Bernard Kalb, said the United States "is profoundly disturbed over the situation in Durban," where more than 50 people were killed last week. "It is imperative, that the South African Government and responsible black leaders take steps to forestall such confrontations," he said.



Blacks, armed with sticks and spears, on the march Friday near Durban, South Africa; at left, Bishop Desmond M. Tutu addressing a funeral earlier in the week.

Black Star/Mark Peters (Bishop Tutu); Reuters

Yet the nation is facing the worst and most deeply rooted violence in recent history.

The temptation among some Afrikaner analysts has been to suggest that unrest, as in the final days of the Shah's Iran, is inevitable at a time of reform. The implication is that those involved in the violence, principally radicalized black youths in urban townships, might have seen a first glimmering of hope in the changes, thus sharpening an appetite for greater change. But this argument ignores the nature of the changes instituted by President Botha after a referendum among whites in November 1983 gave him a mandate to proceed.

The referendum was the start of a period of calm and confidence. In March 1984, after years of covert attacks by South African surrogates, Mozambique signed a non-aggression pact that severed the main infiltration route of the African National Congress, black nationalists seeking to change the South African Government. In June, he toured Western Europe in a dramatic emergence from years of isolation. In August, he scheduled the first national elections for nonwhites.

Then, things turned sour. The elections, for people of mixed and Indian racial descent, were marked by widespread abstentions and violence. On Sept. 3, a protest over rent increases in a black township called Sharpeville — a name burned on the soul of black protest in the 1960 riots there — turned to bloodshed, and 29 people were reported killed as unrest spread to other townships.

The agreement with Mozambique, according to some analysts close to the African National Congress,

misfired because it convinced activists that they could not rely on outside force, and so were pushed to confrontation at home. The inauguration of the new Constitution, by this account, deepened the alienation, not because — as the Government asserts — it was the start of a reform process that would eventually embrace the black majority, but because it formally excluded blacks from the place close to power that it offered other nonwhites.

What many South Africans were wondering last week was what Mr. Botha could do now beyond hunkering down in the hope that the state of emergency in 36 districts will buy time to think and plan. "I fear," an Afrikaner analyst said, "that this is the end of reform." With things so unraveled compared to a year ago, he argued, Mr. Botha had few options but to rally his people with a display of muscle and strength to avert a loss of support to the right wing of Afrikanerdom.

Yesterday, the police arrested the Rev. Allan Boesak, president of the World Alliance of Reformed Churches and a leading critic of apartheid, as he tried to lead a funeral procession for a black teen-ager shot by the police. The display of toughness was offset, however, by a commentary on state-run radio which suggested that new reforms were about to be announced.

But the dilemma remained. To defuse the situation, concessions to the black majority would be needed; but if they are offered after violence, then the appearance, in the eyes of whites, might be of weakness, while for radical blacks increasingly committed to violence, such concessions would vindicate their strategies.

The White House Is Upbeat on the Economy, but Others Aren't So Sure

For the President, the Tough Part Could Be Just Beginning

By HEDRICK SMITH

A certain air of ruddy self-confidence has long been one of President Reagan's patented assets. Last week he dispensed some Reagan-brand optimism as he prepared to head for California for vacation. He dismissed the cancerous pimple removed from his nose as a minor problem, appending a seasonal warning to fellow sunbathers. His skin cancer, he advised, was a cost of overexposure to the sun and his vain urge for "a coat of tan, dating back to my life-guard days."

On substance, the President gave a litany of sunny news from low inflation and a strong job market to bright possibilities for arms control and no dark clouds of a tax increase to "slow us down." Apparently advised by his political doctors that his legislative record this year required new promises of potency after Labor Day, Mr. Reagan vowed once again to conduct a vigorous offensive for his tax revision proposal. He again warned Congress he would have his veto pen ready for budget-busting money bills, though despite his threats he has used the veto much less than his predecessors. In a bold-sounding but modest assessment, the President declared that "1985 is shaping up as a year of progress."

Yet behind the ebullience there were signs that all is not ship-shape. In place of his normal stand-up, 30-minute press conference in the East Room, President Reagan chose to sit at his desk in the Oval Office for a mini-news conference with a pool of 5 reporters and a flock of cameras. Since returning from the hospital July 20 after major surgery to remove a cancerous polyp from his colon, he has avoided long periods of standing. He did tackle head on the news that his nose pimple had been cancerous, a fact the White House had sidestepped for several days. White House officials later disclosed that Nancy Reagan had known and kept the news not only from the public but overnight from her husband.

On the economy, Mr. Reagan's talk seemed a shade



President Reagan at his news conference last week.

Black Star/Dennis Brack

rosy. He emphasized that the economy produced 600,000 new jobs this year, but did not mention that unemployment has hung at 7.2 percent for 6 months. Mr. Reagan was told at Thursday's Cabinet meeting that even if Congress makes all the cuts it approved two weeks ago, next year's budget deficit has been estimated upward, to \$185 billion, largely because of sluggish economic growth. Wall Street's disappointment showed in last week's decline of 32.26 points in the Dow Jones industrial average. Other officials said the private forecast of Donald T. Regan, the White House chief of staff, had been that the market would get a lift from the budget action.

"The market reflects a general malaise about where the economy is going and whether there's anybody in the driver's seat," said Alan Greenspan, an economist with close ties to the Administration and head of Townsend-Greenspan & Co., Inc., an economic forecasting firm. "It reminds you of the determinism of a Greek tragedy in the sense that we're headed in a direction that is dangerous in the long run and we recognize the problem but we feel incapable of doing anything about it."

Politicians and political scientists say the second

Reagan Presidency has shown more drift and less drive than the first. They rate Mr. Reagan's record so far this year as only average, especially by comparison with his first term. By mid-August 1981, Mr. Reagan had scored ringing victories on the budget and taxes. While many Presidents, from Woodrow Wilson to Franklin Roosevelt to Richard Nixon, have had more difficulty in their second terms than in their first, in the face of Mr. Reagan's landslide re-election many Republicans expected more dramatic results. Some worry about lost opportunities. Sounding that note, one top House Republican leader, Richard Cheney of Wyoming, declared: "The thing that

bothers me most is that we missed our best whack at the deficit." Mr. Reagan's popularity is still extremely high. But a Time magazine poll also found that 3 of 4 people among 1113 registered voters in telephone interviews between July 25 and July 27 had "only a little confidence" or "none at all" that he could either reduce the deficit, revamp the tax code, or reach an arms agreement with Moscow. (The poll had a margin of sampling error of plus or minus three percentage points.)

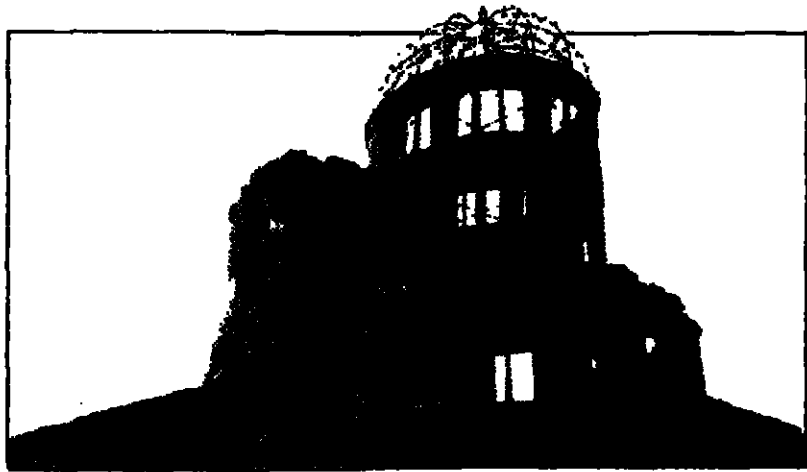
Another symptom of the President's problems is that his battles with the Senate Republicans over the budget have emboldened Democrats. In January, House Speaker Thomas P. O'Neill Jr. told Mr. Reagan glowingly, "I've never seen a man more popular with the American people" and promised not to buck his budget. Mr. O'Neill no longer treats the President as invincible; as Congress shut down for its August recess, he charged that the Administration "has no plan whatever for dramatically cutting the Federal deficits."

Democratic morale also got a boost last weekend as the party held a Congressional district in rural northeast Texas, theirs since Reconstruction, against a highly touted, \$1-million Republican drive. But most Democrats have a healthy respect for

Mr. Reagan's resilience and are braced for his fall offensive. "He's the greatest, off-the-mat, comeback politician we've seen in decades," said an aide to Mr. O'Neill.

With the President slated for a three-week break at his California ranch, White House officials expect him to regain his physical strength and his political stride. Some also draw comfort that Senate majority leader Bob Dole, a persistent skeptic about overhauling the tax system this year, last week said "there's a good chance" for it now. But others, anticipating bitter fights over farm aid, trade legislation and the debt ceiling, forecast that Mr. Reagan will be sorely tested after Labor Day.

Verbatim: No More Hiroshimas



Kyodo News Service

"In order that Hiroshima's inferno never be repeated anywhere, we strongly urge the United States and the Soviet Union, who hold the fate of humankind in their hands, to halt all nuclear testing immediately and to take decisive steps at the summit talks in Geneva toward the total abolition of nuclear weapons in the interests of all humankind."

Takeshi Araki

Mayor of Hiroshima, at ceremony marking the 40th anniversary last week of the atomic attack.

A Walker Trial Ended in a Conviction Last Week

A Cluster of Cases Makes Espionage Hard to Ignore

By PHILIP SHENON

SAN FRANCISCO — Senator Patrick J. Leahy of Vermont is perhaps best known in Washington as senior Democrat on the Senate Select Committee on Intelligence. But until recently, he said, most of his constituents were clearly more concerned about his efforts on behalf of Vermont's farmers, not on the intricacies of intelligence policies that seemed to involve seamy doings in faraway places.

That began to change in a dramatic way, the Senator said, with the arrest in May of John A. Walker Jr., a retired Navy warrant officer accused of masterminding a ring of spies that stole secrets for the Soviet Union. "When they hear about Walker, people understand why the intelligence work I do is so important," he said. "People are worried. They are paying attention now to the problems of spying."

Some specialists in the vagaries of public opinion would disagree that much of America has become captivated by the Walker case and a number of other espionage investigations that have come to light in recent months. But last week there appeared to have been so many developments involving accused spies — who all denied their guilt — that most people had to have taken some notice, however briefly.

In Norfolk, Va., after four days of testimony without a jury, a Federal judge found Arthur J. Walker, John's older brother, guilty of stealing classified documents from a defense contractor and delivering them to his brother, who allegedly smuggled them to Soviet agents. Judge J. Calvitt Clarke Jr. set sentencing for Arthur Walker, a retired Navy lieutenant commander, for Oct. 15.

Here in San Francisco, a man described as John Walker's best friend,

Jerry A. Whitworth, was arraigned on a 12-count indictment that charged him with providing the Soviet Union with details of a computerized Navy communications system. John Walker's son, Michael, a Navy yeoman, has also been arrested.

The investigation of the Navy spy ring, which Pentagon officials say may have compromised some of the military's most precious secrets, is only the best-known of the several espionage inquiries under way. Richard W. Miller, a former agent of the Federal Bureau of Investi-



Arthur Walker, right, escorted out of court in Norfolk, Va., Friday.

gation, was on trial in Los Angeles last week, charged with arranging to pass Government secrets to the Soviet Union through a Russian émigré. No F.B.I. agent had ever been charged with espionage before.

In Alexandria, Va., last week, a former clerk for the Central Intelligence Agency, Sharon Scranage, was indicted by a Federal grand jury. She was accused of providing a Ghanaian friend, who was also named in the indictment, with details about American intelligence operations in Africa, including the names of agents working covertly in Ghana.

Congress's reaction to the rash of spying allegations was immediate — and vocal. As a result of the Walker case specifically, a House-Senate conference committee last month approved proposals that would allow execution of spies under military law and would permit the Pentagon to make wider use of lie-detector tests to ferret out spies. The proposals have been approved by the Senate; final action in the House won't come until next month.

With the barrage of news accounts about suspected spies, an unprecedented number of Americans — or so members of Congress report — have written their elected representatives in Washington, urging, among other things, a beefing up of counterintelligence programs. "Until these cases, I don't believe the public thought very much about this problem," said Representative Bill McCollum Jr., Republican of Florida and author of the death-penalty measure. "The Walkers made the difference."

Some authorities say that accurate parallels cannot be drawn between the recent arrests and the espionage cases of the 1940's and 1950's. In the most celebrated spy case of the 1950's, Julius and Ethel Rosenberg were convicted of providing atomic secrets to the Soviet Union for ideological reasons. The motive of the Walker ring, officials say, was simple greed.

"In the 40's and 50's, we were talking about people who were Communist loyalists, and it was easy to create a red scare among the public," said Michael P. Rogin, a professor of political science at the University of California at Berkeley. "It was simple to get people worked up and anxious. Now the motive is money, and that's not such a threat to the public. In fact, to some people, the Walkers may just seem like the apotheosis of the American way of life."

Still others believe there is intense interest in the Walker case because of its mixture of high drama and banal soap opera. John Walker was turned in to the authorities by his ex-wife and their daughter, a Christian evangelist involved in a bitter dispute over custody of her five-year-old son. After Mr. Walker's arrest, the plot twists kept coming: the arrest of Mr. Walker's son, then his brother, then his friend, Mr. Whitworth.

"People have been attracted by this wonderful family drama, a real-life 'Dynasty,'" said Harlan K. Ullman, a senior fellow at Georgetown University's Center for Strategic and International Studies.

Fields of Plenty



Federal agent carrying marijuana last week after a raid near New Castle, Va., which was part of a nationwide crackdown.

D-Day in The War on Marijuana

By BEN A. FRANKLIN

WASHINGTON — Americans worried about the decline of Yankee ingenuity may take cold comfort at that being demonstrated by native growers of marijuana. These are high times on the pot farm. During the 1980's, growers in the United States have become the fourth-largest suppliers of marijuana on our own streets, after Colombia, Mexico and Jamaica.

Some Americans seem to find dry amusement in the Government's difficulty in uprooting this covert enterprise. But that didn't daunt Attorney General Edwin Meese 3d.

Flying on Monday to the Ozark National Forest in northwestern Arkansas, a major sector of the bucolic pot belt, Mr. Meese was prevented by mountain mists from a helicopter tour with reporters and photographers, to the plant-chopping battlefield. But his presence at the opening of "Operation Delta-9," a combined marijuana eradication effort of Federal, state and local law officers sponsored by the Justice Department's Drug Enforcement Administration, gave the campaign a high profile. This year's drive will for the first time involve all 50 states, the drug agency says.

Mr. Meese announced the first three days' results at a news conference later in the week: the destruction of 342,000 marijuana plants and the arrest of 175 growers. He said the publicity had prompted an encouraging wave of reports from citizens of undiscovered illegal plots. He promised that in the United States no observed marijuana plant — the source of a narcotic far more dangerous, he said, than Americans realize — would survive.

Mr. Meese's main target was perhaps skepticism about the Government's ability to eradicate the high-grade domestic crop. And the skeptics he probably sought most urgently to convince were in Central America, where pressure from Washington to strike at marijuana grown for export to the United States has generated a demand for proof that the United States does not apply a lenient double standard to its domestic growers.

The cultivation of cannabis has come to be an industry in which Americans excel. New laws now make it possible for prosecutors to seize the farms and homes of growers, and so clandestine patches of the weed have bloomed not only on private land but on thousands of acres of Uncle Sam's own backyard — in the national forests and national parks and on Federal grazing lands, even on Indian reservations. The Government cannot confiscate land it already owns.

Dangerous Squatters

These growers are typically squatters who come and go surreptitiously to tend their crops, the authorities say, causing violence to the public and environmental insult to the wilderness.

Some of the plots are wired with booby traps to drive off curious campers. Hikers have been run off by gunfire. Wandering into hidden marijuana plots, backpackers have stepped on bent-piercing punji sticks or have been caught in webs of fish hooks suspended at eye level from nearly invisible lines. Large sections of some national forests have been abdicated to the marijuana growers — ruled off limits to the public and to Federal rangers alike as too dangerous to hike.

And while demand for marijuana remains strong — the Drug Enforcement Administration estimates that 15,000 to 17,000 tons of it were consumed in the United States last year — imports, if not down, may be getting shaky. This could only encourage domestic growers who, according to D.E.A. estimates, had inched up to about 12 percent of the American market last year.

As in the Prohibition years, public apathy and skepticism about the Government's goals and effectiveness in curbing drug use remains high. A recent report by the General Accounting Office says the National Narcotics Border Interdiction System, a new program to seize drugs entering the country, is expending almost all its resources on marijuana and making no substantial headway against cocaine. "They're always ahead of us," William Rosenblatt, the senior Customs Service agent in Miami said of cocaine smugglers. "They scheme 18 hours a day how to smuggle coke into the U.S."

Anti-smuggling efforts by the United States, even against marijuana, remain full of holes but show sporadic signs of vigor. Last week, impatient with what officials termed the laxity of Air Jamaica in flying in unsuspected marijuana-laden luggage, Federal Customs agents at Kennedy International Airport seized one of the Caribbean nation's new wide-body jets for a day and fined the airline \$18,000.

The most effective attack on foreign marijuana is to kill it before it can be harvested and exported, and Washington has been leaning hard on Central American governments to do so. Officials in Colombia, which has been supplying 70 percent of the marijuana consumed here, told members of the House Select Committee on Narcotics during a tour there last week that intense dusting with the herbicide glyphosate may have wiped out much of the commercial crop.

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The World

The Rebels Are Back in the Money in Nicaragua

President Reagan signed legislation last week providing \$27 million for the Nicaraguan rebels, opening up a pipeline Congress had cut off last year. But even before the new law could take effect, the insurgents seemed to be gaining headway. With the help of recently acquired planes and other weapons that rebel leaders said were financed by private supporters, they launched a new offensive deep inside Nicaragua. Hitting back, the Nicaraguan Government reportedly began using MI-24 helicopter gunships, a type employed by Soviet forces in Afghanistan.

Adolfo Calero, an insurgent political leader, said the new money, which Congress ordered restricted to nonmilitary uses, had improved the rebels' credit rating and would make it easier to get help from other sources. The White House confirmed a New York Times report that said rebel operations have been supervised by the National Security Council, a White House agency, since Congress ordered the Central Intelligence Agency to cease its operational role.

"We're not violating any laws," Mr. Reagan said. But Adm. Stansfield Turner, who was Director of Central Intelligence in the Carter Administration, argued that, in view of the ban on C.I.A. participation, the Security Council role was "most improper."

Meanwhile, 29 Americans emerged unhurt after detention for 29 hours by a Nicaraguan rebel splinter group based in Costa Rica. The Americans, who were visiting a battle zone, were sent by Witness for Peace, which has accused the rebels of human rights abuses.

Another critic of the insurgency, Edgar Chamorro, who was dismissed as a spokesman after he disagreed with C.I.A. actions, got some good news last week. Immigration authorities halted deportation proceedings they initiated after they read articles he wrote for opinion pages of The Miami Herald and The New York Times and assured him he can stay in his Florida home.

A Familiar Face for Bolivia

Gen. Hugo Banzer came in first, albeit narrowly, in last month's inconclusive national election, but last week Bolivia's Congress picked a 77-year-old economist, Victor Paz Estenssoro, to be President. Mr. Paz Estenssoro, who ran a close second, two percentage points behind General Banzer, on July 14, immediately called for "pragmatic, realistic and concrete measures" to avert national bankruptcy.

To enact them, he is likely to need all the political savvy accumulated in three previous stints as President. Outgoing President Hernán Siles Zuazo's attempts to devalue the peso were blocked by general strikes. The Government stopped making payments on \$4.8 billion of foreign debt more than a year ago and the inflation rate is expected to reach 30,000 percent this year.

As a founder of the Revolutionary Nationalist Movement, Mr. Paz Estenssoro helped nationalize Bolivia's big tin mines and initiate land reform and universal suffrage in the early 1950's. Now he is regarded as conservative. "The country cannot remain permanently paralyzed in poverty out of fear of letting in foreign investment," he said. Bolivia's debts "must be renegotiated," he added, but without "taking the bread" from people's mouths.

As for General Banzer, his followers said they were unhappy at being

deprived of the fruits of "victory" but would respect the result. He drew about 28 percent of the vote in a field of 18 candidates. Counting military and palace coups, Bolivia has had seven governments since 1980. For 25 years, no elected president has served out a full term.

Soviets to Let Inspectors in

The Soviet Union has long condemned Western proposals for inspection of nuclear weapons sites, arguing that the surveillance would just be a pretext for ground-level spying missions in the homeland. More recently, Soviet diplomats have occasionally made tentative suggestions of their own for on-site inspection, but in the tangle of "strings" tied to most arms-control offers, nothing has come of the notion. This month, however, the Russians are reportedly planning a tentative step toward inspection, if only to show that two of its nuclear power reactors are not being used for military purposes.

For the first time, Western diplomats said last week, experts from the International Atomic Energy Agency will be allowed to examine Soviet reactors. This United Nations agency already may inspect reactors in some 130 other countries that signed or agreed to the terms of Nuclear Nonproliferation Treaty, which was intended to bar nuclear weapons in the arsenals of countries that did not have them in 1970.

Western officials called the Soviet decision a public relations gesture, since Russia is one of the countries allowed to build nuclear weapons. The move was apparently timed for an announcement at an international conference in Geneva later this month, when the effects of the 1970 treaty will be reviewed. The pact called on the Russians, Americans and other nuclear powers to promote disarmament and share their peaceful nuclear technology. In Geneva, third world and neutral countries are expected to complain vehemently of superpower noncompliance.

Poor Turnout in Casablanca

It was billed as the last best chance for the Arab League, but when the organization met in Casablanca last week, some nations made their absence felt. While representatives of 18 of the 21 members of the league assembled, all but 10 heads of state sent regrets. Four countries — Syria, Lebanon, Southern Yemen and Algeria — entirely boycotted the session, which was called by King Hassan II of Morocco to discuss "issues dividing the Arabs" and the "Palestinian question in all its aspects." Libya sent a delegate to the preparatory meeting but then withdrew without explanation, a move that was embarrassing for the host, who signed a unity pact with Libya last year.

King Hassan said he was "emotionally and mentally sorry to see the empty chairs." The chain-smoking ruler also appeared annoyed as Yasir Arafat, the Palestine Liberation Organization leader, thanked the nations that showed up for "responding to the Palestinian women's cry from the camps of Sabra and Shatila." It was an implicit swipe at Syria, which backed attacks on the camps by Lebanese Shiite militia and opposes Mr. Arafat's joint effort with Jordan to launch talks with Israel about the future of Palestinians in the West Bank. The conference "noted" the P.L.O.-Jordan accord but pointedly did not endorse it.

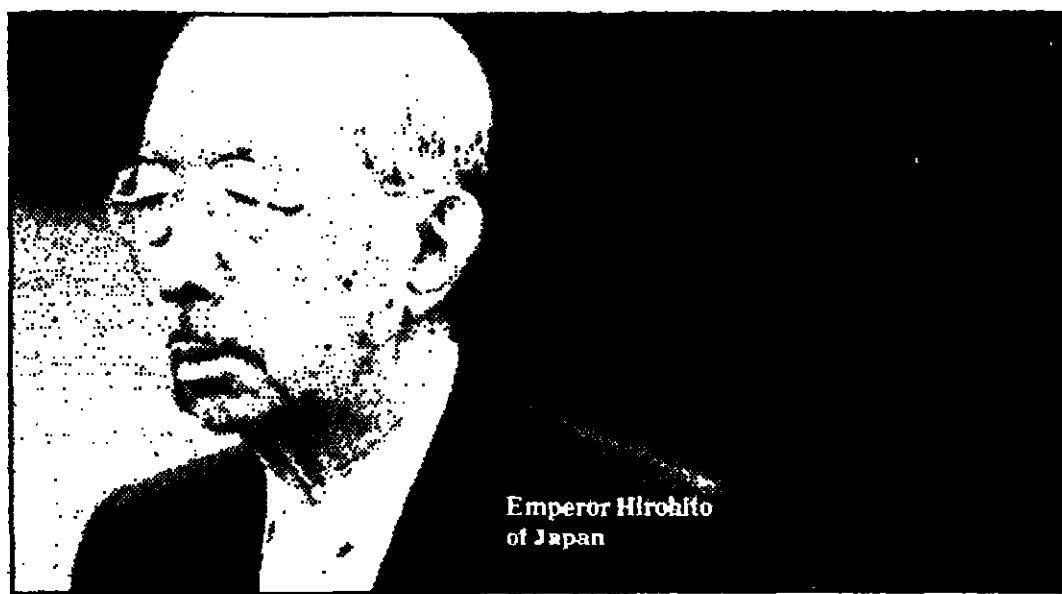
Milt Freudenheim,
Richard Levine
and Henry Ghaiger



Pope John Paul II greets a group of African leaders in Togo, at the start of a 12-day tour of the continent last week. On his third trip to Africa since becoming Pontiff, he also is visiting the Ivory Coast, Cameroon, the Central African Republic, Zaïre, Kenya and Morocco.

Through War and Peace and Bust and Boom, Hirohito Has Endured

He Has Pomp, but Little Circumstance



Emperor Hirohito
of Japan

By CLYDE HABERMAN

TOKYO — At noon this Thursday, if all goes as scheduled, Emperor Hirohito of Japan will appear on a flower-bedecked stage near his palace in Tokyo and commemorate one of the few times in his long life when he did something that really mattered.

Exactly 40 years earlier, the Emperor's ready voice was heard on radio for the first time as he informed his subjects that, to end World War II, he would accept the Allies' demand for unconditional surrender. It would require "enduring the unendurable and suffering the insufferable," he said. Senior military officers were prepared to fight on; a few diehards staged an unsuccessful rebellion, even trying to destroy the disk on which Hirohito had recorded his broadcast. But the traditionally passive Emperor intervened and he prevailed.

In this year filled with 40th anniversary retrospectives, much has been said about how greatly Japan has changed since V-J Day. Little attention, however, has been given to one of its great constants, the 84-year-old man who has occupied the Chrysanthemum Throne since Dec. 25, 1926, when Calvin Coolidge was President and Charles Lindbergh was wondering if he could make it across the Atlantic.

No other emperor has reigned so long. He is 124th in an imperial line that, according to shad-

owy legend, began in 660 B.C. For many Japanese, he is largely irrelevant, but he remains a dominant symbol nonetheless, a link to the distant past at a time when Japanese wonder if their roots are being pulled up too fast by high-tech efficiency. He is still the chief priest of the indigenous Shinto religion and tribal leader of the extended family that Japanese like to think of themselves as being.

Not that the symbolism has remained unaltered. After the war, Hirohito felt quickly from grace, renouncing his divinity, which he actually never had because, while revered, he was not a god in a Western sense. Under Japan's postwar Constitution, imposed by the American occupation forces and adopted in 1947, he was codified as the "Symbol of the State and of the Unity of the People."

Lending Legitimacy to Power

But that is what nearly all Japanese emperors have been. With rare exceptions, they lend legitimacy to power but do not exercise it. Government officials emphasize this and Hirohito has occasionally alluded to it. Intentionally or not, these statements have the effect of insulating the Emperor from lingering suspicions about his wartime role. Some students of the period contend that Hirohito was not a docile bystander in whose name Japanese soldiers went off to kill and be killed. Rather, it is alleged, he helped plan expansionist policies, from the invasion of Man-

churia in 1931 to the raid on Pearl Harbor 10 years later. The Emperor is aware of these judgments but has not responded directly. He did, however, tell foreign newsmen in a rare session in 1971 that "the things I knew personally were really very few."

A more widely held belief is that he was a figurehead used, and even abused, by ultra-nationalistic military leaders. Only rarely did he intervene, according to this version, and then he did so with courage and for the public good. Once was in 1936, when he tried to head off an uprising in the army. The next time was the surrender speech in 1945.

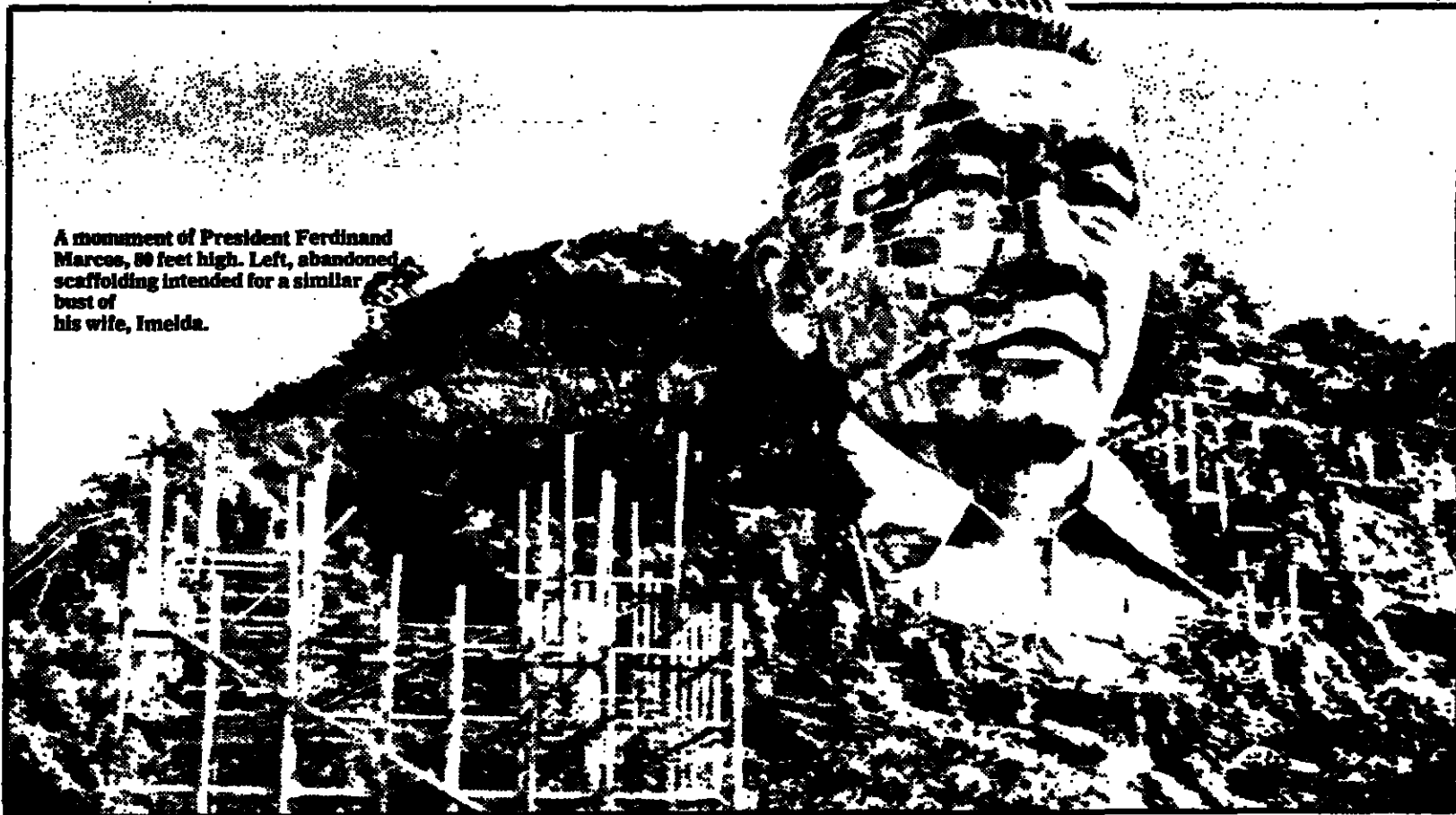
These days, the Emperor is essentially a ward of the Imperial Household Agency, a hidebound Government bureau that keeps him and Empress Nagako behind the walls of the Imperial Palace — distant figures, quite unlike the more outgoing, sometimes eyebrow-arching British royal family. The Emperor is told what to do, which documents to sign, which appointments require the imperial seal. He seems, on his infrequent public appearances, like a benign grandfather who walks uncertainly, usually seems to be unsure of his next move and prefers, it is said, to spend his time in his marine biology laboratory in the palace grounds.

If polls are to be believed, postwar generations consider him unimportant. But the polls also show no clamor for scrapping the Imperial system. Of the major parties, only the Communists want it abolished, and they apparently do not feel the issue is worth pressing hard.

The Emperor has been around too long to ignore. He has presided over a remarkable span of Japanese history, from military conquests to humiliating surrender to economic revival to, it now appears, international eminence. Moreover, as long as symbols remain important, so will he. This was demonstrated last fall, when President Chun Doo Hwan of South Korea came to Japan, which had ruled his country as an especially harsh colonial master from 1910 to 1945. The biggest question during Mr. Chun's trip was whether the Emperor would apologize for past Japanese behavior. In the end, he expressed cryptic "regret," just as he had to American and Chinese leaders years before. It was not exactly an apology, but it was not an evasion either. Then again, how does one measure the statements of a man who surrendered 40 years ago in the face of total defeat without once using the words "surrender" or "defeat"?

In a masterly display of Japanese circumspection, the Emperor told his subjects that day, "The war situation has developed not necessarily to Japan's advantage."

Timing the Election



A monument of President Ferdinand Marcos, 80 feet high. Left, abandoned scaffolding intended for a similar bust of his wife, Imelda.

Marcos Does His Best To Keep Foes Off Balance

By STEVE LOHR

MANILA — President Ferdinand E. Marcos faces a growing Communist insurgency and constant demands for reform from Washington and international lenders. The credibility of his Government has been under attack since last year, when a citizens board found that a military conspiracy involving the chief of staff of the armed forces, a close friend of the President, was responsible for the August 1983 murder of opposition leader Benigno S. Aquino Jr.

And this week, the opposition is to file a motion to impeach the President in the National Assembly. Yet a week ago, Mr. Marcos reversed himself, saying he was "seriously considering" holding Presidential elections this year to "renew the President's mandate with the people."

Floating the possibility of early elections was the most striking of a series of recent moves that indicate President Marcos, however embattled, is once again confident, apparently healthy and resisting calls for political reform. As one Western diplomat observed: "Marcos has dug in his heels and he is trying to reassert his control."

Earlier hopes that Mr. Marcos, responding to domestic and international pressures, might accommodate changes to allow more independence in government have been undermined by recent presidential initiatives. A central concern of the United States and the Philippine opposition has been some assurance that upcoming elections — whether the local elections are held in 1986 and the Presidential a year later, as scheduled, or earlier — be reasonably fair. But two weeks ago Mr. Marcos appointed three new members to the election commission, all from the ranks of his longtime supporters. These follow the naming of Victoriano Savellano, who is from the President's

home province of Ilocos Norte, as head of the nine-member poll commission.

In a departure from tradition, Mr. Marcos passed over the senior justice on the Supreme Court when appointing a new chief justice last month. Instead of Claudio S. Teehankee, the most independent justice on the high court, whose rulings often contradicted the president's wishes, he appointed Felix V. Makasiar, a former college classmate whose rulings have been more in line with presidential preferences.

Cosmetic Reorganizations

What's more, promised economic reforms, particularly the dismantling of the sugar and coconut marketing monopolies controlled by Mr. Marcos's cronies, are generally regarded more as cosmetic reorganizations than sweeping changes. The Philippine economy, which shrank 5.5 percent last year, is expected to contract by another percentage point or two this year.

Another sign of Mr. Marcos's intransigence has been his declaration that he will return General Fabian C. Ver, a close associate and cousin, to his post as chief of the armed forces if he is acquitted in the Aquino trial, which began in February. The way the trial has been going lately, General Ver's return seems likely.

The court, composed of three Marcos-appointed judges, has ruled that self-incriminating testimony given by General Ver and seven other soldiers before the citizens board is not admissible as evidence. Unless the Supreme Court overrules the decision, General Ver's acquittal is virtually certain. General's Ver's removal and replacement by Lt. Gen. Fidel Ramos, a West Point graduate known for his professionalism, was seen as a step toward corrective change in the military, which has a reputation for corruption and abusive treatment of civilians.

"Earlier this year, there was some hope of reform," says Jaime V. Ongpin, a leading business executive and a Marcos opponent, "but clearly, Marcos has stonewalled everything. His attitude is helping the Communist insurgency and driving the moderates up the wall."

President Marcos's motivation for the talk of elections this year, after months of insisting that the 1987 timetable was sacrosanct, is uncertain. It could be a ploy to divert the attention of the opposition from other issues and keep his rivals off guard, a technique Mr. Marcos has employed repeatedly during his 20-year rule. The statement from the Presidential Palace 10 days ago saying that early elections were now being seriously considered also contained the apparently threatening comment that a decision would await the opposition's moves on the impeachment resolution. However, that seems to insure the filing of the resolution, which will charge Mr. Marcos and other officials of enriching themselves with Government funds and investing their suspect gains abroad, mostly in American real estate.

The resolution stands no chance in the National Assembly, since the ruling party holds a two-to-one majority. But all last week, the pro-Government newspapers were filled with statements from Cabinet members predicting grimly that its filing would undercut the Government's effort to revive the economy and fight the Communist insurgency. The implicit conclusion seemed to be that the filing of the resolution would necessitate an election to clear the political air.

"The President has stage-managed the situation so that it appears that the opposition is forcing his hand," one senior Government official noted. "But the outcome — a snap election — now seems to be exactly what he wants."

There are other reasons for the early election. The health of the 67-year-old President, said to suffer from a degenerative kidney disease, swings in cycles. Lately, he appears to be physically strong. Also, the ruling party is almost certain to suffer in next year's local races. Holding the Presidential contest early would let Mr. Marcos run with party machinery in place. And an early race might eliminate other risks, namely that the opposition could move toward unity, the economy could deteriorate further and the insurgency could become more threatening.

The New Government Released 1,000 Political Detainees Last Week

Longstanding Divisions Keep Uganda Edgy

By SHEILA RULE

KAMPALA, Uganda — The steady stare of soldiers greets motorists and pedestrians in this crumbling East African city in the aftermath of the military coup that overthrew the Government of President Milton Obote two weeks ago. Tension is apparent on the faces of all residents, African and Western, but it is the Ugandans who appear most fearful after the latest eruption of the divisive volatility that has plagued them and their ancestors for more than 600 years.

"We have been fighting each other, fighting ourselves, for so long that people wonder if anything will ever change," said a Ugandan businessman in the dilapidated Speke Hotel. "For one reason or another, there is always some group that doesn't like the other and always wants to do something about it," he said.

The new military leaders have repeatedly called for unity so that Uganda, shaken for years by misgovernment, corruption and brutal violations of human rights, can get on track toward peace and development. But, as in many African countries, tribal, ethnic and political conflicts are endemic.

The roots of the problem go back to the 19th century, when European powers carved up the continent with little concern for ethnic or cultural ties. Tribes were split apart and forced to live alongside other ethnic groups with whom they had little in common. Today, after two decades of independence in many African countries, their people still blame the Europeans for tribal animosity that exacerbated such major conflicts as the war

in Nigeria in the 1960's, which was fought to keep eastern, mainly Ibo people from forming their own nation.

Tribalism was a strong factor in the Ugandan coup on July 27. The military takeover grew out of a mutiny by soldiers of the Acholi tribe, apparently angered at the promotions of officers from the Langi, Mr. Obote's tribe. Both tribes are from northern Uganda, where they have a long history of rivalry. The Acholis, who dominate the army, now appear to be in control. Motivated by fear, some Langi tribesmen in the north have taken to pretending they are Acholi. (It is not always easy to tell the two apart. The Acholi often have stocky figures and broad facial features. The Langi tend to be taller and thinner, with straighter features.) In the city of Gulu, an Acholi center, the medical chart on the hospital bed of a young woman identified her as an Acholi. She had been shot in the leg in fighting that erupted between Acholi and Langi soldiers during the coup. "Me, I am a Langi," she said softly the other day. "I am from the other side." She had feared that the clinic would not accept a Langi.

In the southern African nation of Zimbabwe, too, unity takes a back seat to kinship. After Prime Minister Robert Mugabe's party scored an overwhelming victory last month in the first elections since Zimbabwe independence in 1980, scores of Mr. Mugabe's Shona-speaking supporters ransacked the homes of the Ndebele-speaking followers of his rival, Joshua Nkomo. In a similar incident last winter, about 20 people were killed and 200 homes of Nkomo supporters were burned down.

Even in Kenya, which outsiders regard as an emblem of stability and relative prosperity in a region marred by economic decay and political turmoil, the

Two youths with machine guns in Kampala, Uganda.



Associated Press

muscles of tribalism are continually flexed. A member of the minority Kalenjin tribe, President Daniel arap Moi, took office more than six years ago without a significant base of popularity but with the backing of key figures of the Kikuyu, the tribe of the late Jomo Kenyatta, who led the nation to independence, and the main force in politics. Mr. Moi removed the once powerful Charles Njonjo of the Kikuyu tribe from the country's sole political party. This and other moves loosening the Kikuyu's hold had the unintended effect of heightening rivalry among the nation's tribes. Mr. Moi's supporters insist that they should now benefit as the Kikuyu formerly did.

Here in Uganda, the new leaders released more than 1,000 political detainees yesterday. The Head of State, Tito Okello, said "friendship" discussions would begin next week in Tanzania with the main Ugandan rebel group. The new Government says it will form a broad-based interim government, to rule until elections promised in 12 months. General Okello, has indicated that he wants to rid the nation of the old pattern of tribal violence. His selection of Paulo Mwangi for Executive Prime Minister was viewed by some local analysts as a step in that direction. Mr. Mwangi, who served as Mr. Obote's Vice President and as protocol chief under the former dictator, Idi Amin, is a member of the Baganda tribe, the largest in the country. The Baganda have strongly supported the Democratic Party and the rebel groups opposed to Mr. Obote. But many Ugandans, including some Baganda people, were upset over the appointment, because of Mr. Mwangi's actions under Mr. Obote. As the bargaining continued last week, fighting broke out east of Lira, the hometown of Mr. Obote and a Langi stronghold. Radio Uganda reported that the fighting began after a splinter group from the Ugandan Army resisted the new Acholi regime.

"The idea of being in control in Uganda is extremely relative," a Western political analyst said.

Israeli Struggles With Ad Hoc Violence

West Bank Arabs Have Rarely Felt So Cornered

By THOMAS L. FRIEDMAN

BETHLEHEM, Israeli-Occupied West Bank — The Israel-Palestinian conflict appears to be entering a new phase, one which for many Israelis seems more frightening and difficult to cope with than much that has gone before. A new mood of despair among West Bank Arabs seems to be growing. Their hopes have been dashed by the destruction of the Palestine Liberation Organization as a military force in Lebanon, the failure of the P.L.O. to develop an effective political initiative and by Israel's refusal to negotiate with credible Palestinian leaders over the future of the West Bank.

The new mood is particularly acute among the young, who have grown up during the last 18 years knowing no other administration than Israeli military government. Instead of looking for Arab armies or the P.L.O. to lead them in a fight against the Israeli occupation, West Bankers are increasingly, and brazenly, taking the military initiative themselves. More than at any time since the pre-1948 era, the conflict between Jews and Arabs is not between armies and tanks but between individual Arabs and Jews.

"The Arabs and Jews have started to behave like two tribes," said Bethlehem's mayor, Elias Freij. "When the member of one tribe is killed, the other takes revenge. With all the settlements here, what kind of future does a young Palestinian living on the West Bank have to look forward to? By the year 2000 all of my generation that knew another life will be gone. In Europe, the new generation competes in sports but here the new generations, both Arabs and Jews, are competing more and more in hatred and extremism."

In recent months, West Bank Palestinian youths have murdered two Israeli couples. They have tossed



Israelis demanding death penalty for Arabs in reprisal for the deaths of two Israeli schoolteachers in Afula, Israel.

gasoline bombs at passing Israeli army jeeps in the full view of witnesses and in three cases, they have walked up to Israeli soldiers or stoppers in West Bank Arab towns and shot them at point-blank range in broad daylight.

The Palestinian youths seem to have been encouraged by the success of Shiite guerrilla attacks against the Israeli-supported South Lebanon Army in the Israeli "security zone" along the border. Last week, Shiites killed two Israeli soldiers in south Lebanon — the first Israelis killed there since April and a signal that the Israeli-Shiite battle is far from over. Last week, in a variation on car-bomb suicide attacks, explosives loaded on a mule were detonated near a South Lebanese Army checkpoint, kill-

ing the Lebanese rider and the mule. In response to the attacks in South Lebanon, Israeli jets again bombed a guerrilla base in Syrian-controlled eastern Lebanon.

"We have entered a new phase of locally generated resistance," says Meron Benvenisti, a leading Israeli expert on West Bank affairs. "It began with the rock throwing. It is not organized by cells, or by the P.L.O. It is just the knee-jerk reaction of people who in many cases don't even seem worried if they will get caught. It is a real sign of despair. It is kill a Jew wherever he is, and the Jews are reciprocating this."

Because so much of this violence is locally generated by individuals, Israeli security forces have found it diffi-

cult to deal with, and some officials have sought to hold Jordan responsible because of P.L.O. offices there. Israel's intelligence apparatus is designed to cope with organized P.L.O. cells, not with three youths with a gun who decide, apparently on the spur of the moment, to kill a Jewish couple.

Hoping to snuff out these activities, the Cabinet last week decided to revive several security measures that have not been used for five years. Four students from Nablus's Al-Najah university were placed under administrative detention, which may last six months without trial, for Palestinian nationalist activism; the university was closed for having pro-Palestinian literature on campus, and Hali Abu Ziad, a West Bank resident, was ordered expelled for unspecified "subversive and terrorist activities." The State Department criticized the Israeli measures as likely to "foster further tensions."

Dealing With Symptoms Alone

There is a feeling among some Israeli analysts, however, that the Cabinet dealt only with the symptoms not the causes of the problem. Israeli Government officials talk of "terrorism" in the West Bank as though it were some kind of free-floating, mindless phenomenon without logic or rationale. But reports in Israeli newspapers last week suggest that the upsurge in Arab violence is not taking place in a vacuum. Yediot Ahronot, a leading right-of-center paper, said a Tel Aviv district court was looking into charges that "top political figures" were involved in what it said was the "fraudulent takeover" of hundreds of acres of private Arab-owned lands in the West Bank. The paper said investigators contended that hundreds of people were "dispossessed of their lands, which have since been used for building settlements."

And al-Hamishmar, a left-wing newspaper, reported that a group of West Bank Jewish settlers took a large dog to the Tomb of the Patriarchs in Hebron, where they "sicked" it on an Arab passing by, and beat up an 11-year-old boy who was selling chewing gum outside the Moslem shrine. Yesterday a Jewish settler was stabbed in Hebron.

Israeli leaders do not explain the causes of "this terrorism," said Mr. Benvenisti. "They cannot explain it because to do so would be to admit that there is another political community here that is being driven to despair. If they accept that, however, they have to accept that there are political reasons for that despair and that the solution might be political as well."

This leaves the field open for people like Rabbi Meir Kahane who do have explanations — "demonic explanations," Mr. Benvenisti said. They say: "The Arabs are doing it because they hate Jews, pure and simple. When you are dealing with demons like that," he concludes, "you cannot react rationally."

Military Leaders Are Encouraging the Election of a Civilian

In Guatemala, the Army's Retreat May Be Good Politics

By JAMES LeMOYNE

GUATEMALA — The Guatemalan Army is running out of money, options and time. After 30 years of nearly unbroken rule, the commanders who govern the country have proved incapable of managing the worst depression since the 1930's. At the same time, they find themselves fighting a continuing guerrilla war with aging equipment, while public support withers and foreign friends dwindle in a period when military regimes are less and less accepted in polite international company.

To escape such difficulties, the army is breaking tradition and encouraging the election of a civilian president in November. American officials are backing the move; the Guatemalan head of state, General Oscar Mejia Victores, says he has been assured that aid will increase once a civilian takes office. But skeptics, and there are many, wonder if the military will allow a new president more than formal power. "The army is disposed to hand over the civil government," said Vinicio Cerezo Arévalo, head of the Christian Democratic party and a leading contender for the presidency. "But the real work will be to diminish the power now concentrated in the single institution of the armed forces."

The military has dominated political life in Guatemala since a coup planned and supported by the C.I.A. brought rightist army officers and their supporters to power in 1954. Since then, the army, allied with the conservative members of the business community, has either stolen elections, convinced serious candidates not to run or simply killed potential opponents and critics. A civilian, Julio César Méndez Montenegro, was elected president in 1966. But he was quickly forced to cede most authority to the army, an experience that Guatemalan political leaders fear could be repeated.

What one foreign diplomat termed a "national security paranoia" has made direct challenges to the army's domination highly dangerous. Military intelligence, known as G-2, is thought to operate widely, and is widely feared. In the countryside, the army is the de facto government, having rolled back a Marxist rebel insurgency by killing thousands of Indian peasants who supported the rebels. The military now administers a

series of strategic hamlets and has forced virtually every male Indian, more than 800,000 in all, to join a civil defense unit. Some civilian politicians fear the army could swing the election simply by telling civil defense commanders how their men should vote.

Army influence is further extended through militarized committees known as "inter-institutional coordinators," headed by officers. The committees run local affairs in 80 percent of the country. Lt. Col. Luis Francisco Rios, an officer who helps run the committees, explains their purpose using a diagram that depicts the committees as a machine into which problems are fed and answers emerge. There is no place shown in the mechanism for political debate or political parties.

Autonomous Commanders

The committees are headed by departmental commanders who have historically been loyal to themselves. If the commander happens to be unfriendly or incompetent, local residents are "flat out of luck," in the words of a foreign diplomat specializing in military affairs. "We are talking about a country that is the closest thing to a feudal system in the western hemisphere," said another foreign envoy. "Military zone commanders are autonomous. They are only punished by transfers."

Punishing army officers is a matter that civilian presidential contenders have managed to overlook. Unlike the way it was in Argentina, no candidate is asking that the army be held accountable for killing innocent people. A Western diplomat said he doubted a civilian could risk taking an officer to court. "I don't think the army would take it very kindly," he said.

For his part, Gen. Mejia has repeatedly stated that the military has never committed a single human rights abuse. There is no sense that the army feels defeated or remorseful. A fresh slogan painted in foot-high letters on the wall of the large military base in the town of Santa Cruz Quiché states: "Only he who fights has the right to win. Only he who wins has the right to live."

As the electoral contest gathers speed, more political violence is likely and factional fights within the army can be expected. One foreign official said there had been four overlapping coup plots within the last three months, even though the United States Embassy has gone out of its way

to let the army know that a coup will imperil American aid. "We are dead-set against anybody interrupting the democratic process," said the United States Ambassador, Alberto M. Piedra.

The Reagan Administration's policy toward the army will help determine the military's willingness to go back to the barracks and stay there. The economic crisis will provide leverage as Guatemala seeks increased

assistance. Then again, in 1977 the army refused American help rather than clean up its human rights record.

Some Administration officials point to El Salvador as an example Guatemala could follow. But in El Salvador, it took three years of Congressional pressure, impending defeat at the hands of a guerrilla army and, finally, direct orders from the White House to force military commanders to give civilian politicians a chance.



Soldiers in Guatemala.

Magnum/Socra Metecus

The High Cost of Low Prices

By MERYL GORDON

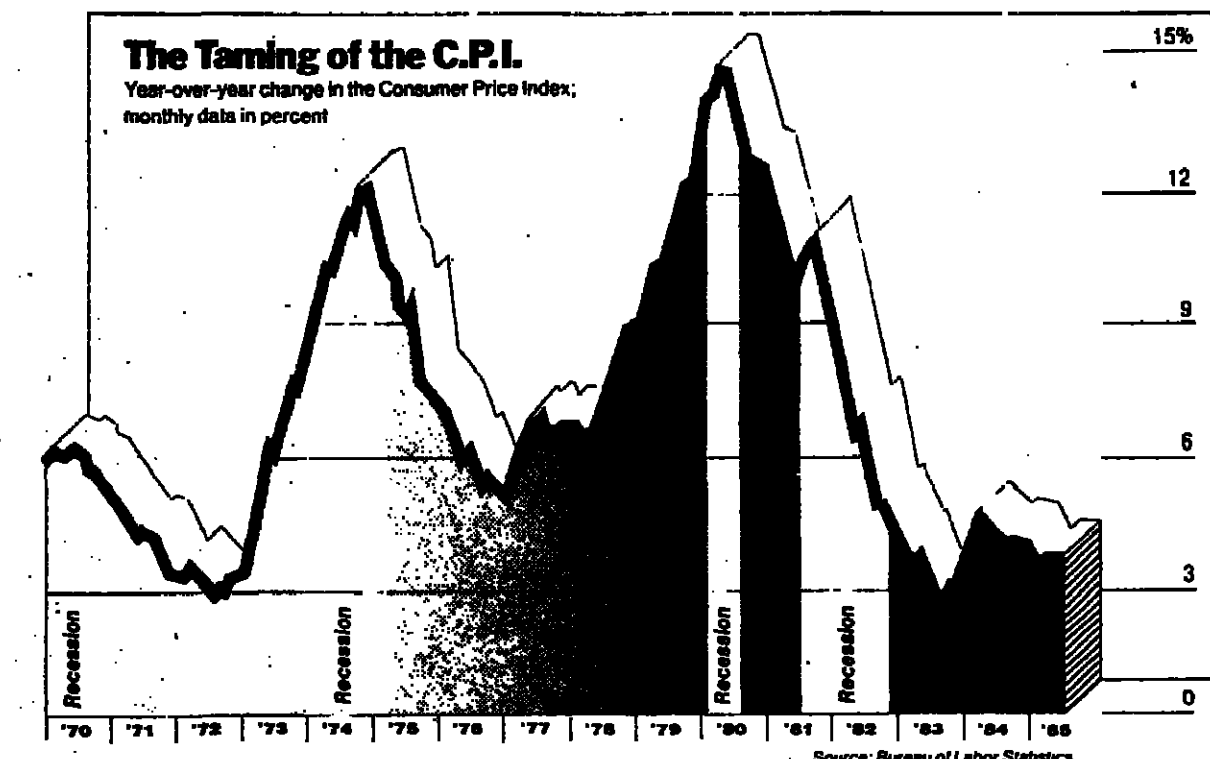
Over the last three years, the Huffy Corporation cut the average price of its bicycles to \$63 from \$74 — yet the Dayton, Ohio, manufacturer continues to lose sales to even cheaper imports from Taiwan.

For six months, the Burndy Corporation, which produces electric connectors for computer makers, has offered discounts of as much as 25 percent to large purchasers — but the Norwalk, Conn., company keeps losing market share to foreign companies.

During the late 70's and early 80's, the Sybron Corporation got in the habit of raising prices by 8 to 10 percent a year on dental equipment made by its Ritter division — a custom that proved fatal. "Our competitors came in with 30 to 35 percent lower-cost products and our market disappeared," said David Carter, Sybron's executive vice president for operations. The Rochester-based company shut down its domestic Ritter operation early this year and sold off its foreign plants three months ago.

Price competition is rough these days, rougher, some say, than in a half century. "Competition is more vigorous now than it's been since the 1920's, when we had a good deal of competition from Europe and we didn't have the regulatory operations established in the 30's and 40's," said Alan Greenspan, an economic consultant who was chairman of the Council of Economic Advisers under President Gerald R. Ford. And Lawrence Chimerine, chairman of Chase Econometrics, a forecasting firm, adds: "The number one complaint I get from my clients is that they can't raise prices."

For consumers the new pressure on prices provides a refreshing break with the past. Inflation — which is both a cause and a result of the change in price behavior — has been holding steadily below 5 percent for two and a half years now. That is a



Inflation picks up and the Federal Reserve clamps down. Low inflation now allows the Fed to facilitate the expansion.

If the period of intense competition continues long enough, some say, it could make permanent changes in the face of American business. Many of the changes are positive: Companies are ingraining in their structures top to bottom the habit of avoiding unnecessary costs. They are also modernizing facilities, and upgrading products, adding a little extra to compete.

But on the negative side, Mark Albion, assistant professor of marketing at the Harvard Business School, said: "Are there going to be any middle-sized companies left or do you either have to be big or small? The small firms can always find a special niche to differentiate, and the big ones are large enough to make the cost reductions." He thinks this trend

ers, fearful of further price increases, were in a rush to buy. Today, with much of American industry producing below capacity, it is the buyers who are in control and any downside edge on prices is an advantage.

"We're reducing our costs and rethinking our entire cost structure," said Stuart Northrop, chairman of Huffy, the bicycle maker. "I'm on the board of several other companies and we're all doing the same thing."

Various sorts of in-house corporate negotiators have risen in the pecking order as they try to help. For example, purchasing agents, who are responsible for buying a company's raw materials, are being pressed to hunt even harder for bargains these days. And labor negotiators are being urged by management not to give an extra cent at the bargaining table.

Judging from overall profit figures, the new strategies are not working

dollar since its February peak, import competition is likely to last. Foreign manufacturers, according to David Wyss, a senior vice president with the forecasting firm Data Resources Inc., will cut prices, accepting lower profit margins, rather than give up market share here that they won during the period of the sky-high dollar.

What is more, the pressure on prices could become even more intense should the economy shift into recession sometime in late 1986 or early 1987.

But at least now, companies are prepared for it. The intense foreign competition of the past two years caught many United States companies by surprise because they had expected the dollar to tumble in 1983 — instead of climbing as it did to ever greater heights. Faced with sagging sales, many companies finally cut prices to compete, although the cuts did not always solve the problem. ITT, the giant telecommunications conglomerate, faced that situation when foreigners rapidly invaded one of its new and growing businesses: selling home telephones to consumers.

When the company's sales of telephones unexpectedly slumped in 1983, ITT's chief economist, Karl Mayer, took a stroll down the Avenue of the Americas, checking stores to see what the competition was doing. "The prices for telephones started out at \$119 at 57th Street, and by the time I got to 28th street, with all the foreign brands and discounters, the price was down to \$80," said Mr. Mayer. Consumers were abandoning ITT's top-of-the-line priced phones for cheaper, foreign models.

Although ITT promptly cut prices (the company says its average price of a phone is in line with the industry's average of under \$40), it has still lost market share: the company's telephone sales fell from 5.5 million in 1983 to 3.5 million last year. And that occurred during a period when telephone sales in the United States soared by 50 percent, to 30 million, according to the Electronic Industry Association. Industry analysts say ITT lost sales based on price, not on the quality of its products.

ITT is now backing away from the market, convinced it cannot match low-cost production in the Far East. "We're making fewer telephones and we're not expanding the line anymore," Mr. Mayer said.

Even in industries where foreign competition is not a major factor, pricing pressures are intense. Deregulation has led to a host of low-cost upstarts, such as People's Express and New York Air, challenging the old stalwarts with low fares. The rise in discount stores and warehouse stores has made life tough for retailers. Monroe Greenstein, a department store analyst for Bear, Stearns, said, "Prices have come down. Department stores are leaning on vendors for special deals."

And marketing strategies to enhance profits are in demand. "Most companies are trying to focus on a more specialized element of their markets, to change the nature of their product in some way so they can add value and charge higher prices," said Mr. Chimerine of Chase Econometrics.

The search for ways to cut costs is intense. "We all got a little bit lazy, and now we're forced to look at each expense and figure out what's it doing for me," said Stuart Buchalter, chairman of the Standard Brand Paint Company of Torrance, Calif. His company has not been able to raise prices for 18 months due to competition from off-price warehouse stores. "We've learned that inventories don't have to grow by 10 percent a year."

In fact, the 11th commandment of manufacturing companies has become: hold down inventories. Instead of stocking warehouses full of supplies twice a year, companies are buying in smaller quantities and buying more often. Their goal is to only have as much on hand as they need immediately, and to avoid tying up excess capital.

While the cost-cutting efforts by many companies are improving their balance sheet, the moves hurt suppliers. David Dibner, chairman of Burndy, the Connecticut electrical connector maker, said his customers were obsessed with materials management. "They want quicker delivery, and they only want me to ship for their immediate production needs," he said. "That means I'm running a smaller production line, and it's less economical."

The Economy

WEEK IN BUSINESS

MGM/UA Is Added To Turner's Empire

Ted Turner succeeded in acquiring MGM/UA in a complicated \$1.5 billion deal in which he will resell United Artists to Kirk Kerkorian for \$500,000. Mr. Turner adds a film studio to his media empire and, through MGM's huge film library, assures that his superstation WTBS will have continued access to movies. Mr. Kerkorian gets tighter control over the United Artists unit, which he could use as a base for other acquisitions.

A leveraged buyout of MTV for \$471 million was offered by Forstmann Little and the music channel's management. Warner Communications then approved a plan to buy out American Express, its partner in two-thirds of MTV, for \$450 million. But Viacom has complicated matters even further. It wants to buy the cable music channel, too, and offered \$310 million for Warner Amex's stake in MTV. If Warner Amex agrees, Viacom also would get the right to acquire the 50 percent of Warner Amex that Warner Communications says it will buy from American Express. The end result is likely to be a sale, rather than a buyout, of MTV.

BankAmerica cut its dividend for the first time in more than 50 years. The move, which reduces the dividend to 20 cents a share, from 38 cents, will save the bank \$109 million a year. BankAmerica had been paying out 86 percent of its earnings on dividends, far above the industry norm, and a \$338 million second-quarter loss meant that its earnings would not cover the dividend payments.

The buyout of Mary Kay Cosmetics is in trouble. Republicbank of Dallas backed out of its tentative agreement to provide \$45 million toward the deal, being arranged by Mary Kay Ash and her son, Richard Rogers. Analysts believe the bank was irked that it had not been asked to be the lead bank.

Gulf Canada will sell some of its refining and marketing assets to Petro-Canada for \$500 million. Olympia & York bought Gulf Canada's assets from Chevron last week.

Saul P. Steinberg gained control of Frank B. Hall, the big insurance broker, when its top officer, Albert J. Tahmoussi, resigned. Mr. Steinberg used his 20 percent of the company's stock to force out Mr. Tahmoussi.

Columbia Gas offered to pay its gas producers \$800 million to revise its take-or-pay contracts. The company wants the contracts to more closely reflect market prices. The revisions would also ease the financial burden on Columbia from its court-ordered billion-dollar refund program.

Merrill Perlman

Beatrice's chairman was ousted in a move that analysts believe will be beneficial in the long run. James L. Dutt was replaced by William W. Granger Jr., whose own tenure is considered by most to be transitional because he is 66 years old. Analysts said that Mr. Dutt's style had caused excessive turnover, and that he had not done enough to assimilate the varied segments of the company's business.

The Treasury sold a record \$21.75 billion in new notes and bonds, and investors responded well, fueling a modest rally. But trading was at times erratic. The announcement of a \$1.3 billion increase in the money supply had no effect.

Stocks fell broadly, including a 21.73-point nosedive on Tuesday. By the end of the week, the Dow had lost 32.26 points, to close at 1,320.79.

L. F. Rothschild rejected a takeover offer from General Felt, but realigned its organization. Rothschild's biggest stockholder, J. Rothschild of London, apparently favored a planned public offering to a takeover. Analysts said the General Felt bid shook the company, and that Rothschild will now bolster earnings and revitalize management.

Leucadia bid again for National Intergraph, offering \$35 a share, or \$750 million, for the metals and financial company. Leucadia has been twice rebuffed in proxy fights, but now says it will pay cash if National Intergraph completes its sale of First Nationwide Financial to Ford Motor, and stops its purchase of Permian.

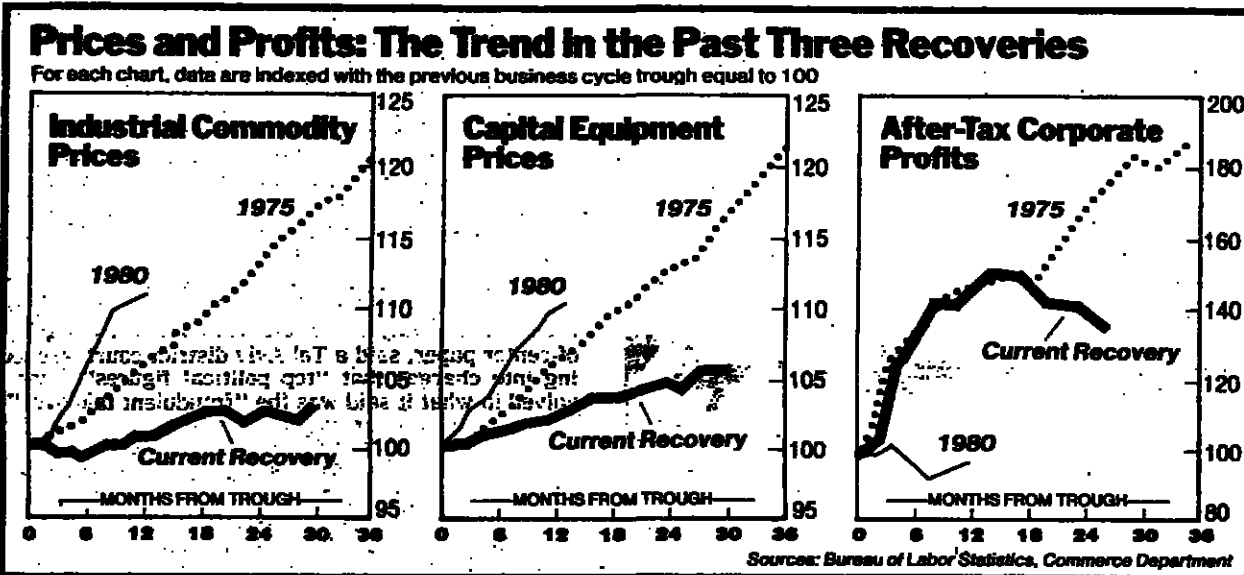
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Merrill Perlman



performance unmatched in more than a decade, and an impressive drop from the 13.3 percent rise in consumer prices in 1979 and the 12.2 percent increase in 1974. Commodity prices and producer prices have behaved in similar good fashion. "It's unusual that we're in the third year of an expansion and we have not had a reacceleration of inflation," said Joel Popkin, a former assistant commissioner of prices at the Bureau of Labor Statistics who now heads a consulting firm bearing his name in Washington.

What the change means for the economy is still a matter of conjecture. Analysts expect the price sensitivity to last at least to the end of this year and probably through the next. The trend, some say, could help delay the recession that many forecasters expect to set in late next year. "The nice thing about all this," said Mr. Popkin, "is that it is inflation that usually ends up aborting expansions."

Meryl Gordon writes on business and economics from New York.

will eventually lead to fewer sellers, and less price competition.

Allen Sinai, chief economist at Shearson Lehman Brothers, applauds the general move toward tougher competition, but he worries about the pain involved. "It's survival of the fittest," he said. "I think it's good for us because it makes us more efficient as a nation. But the negative is that there are pockets of society that are suffering from the bankruptcies and failures. There's not much of a cushion of support in this atmosphere."

Mr. Carter of Sybron echoes that truth: "We used to lead with our chins on pricing," he said. "Now we're pricing for survival." Following the disaster with his company's Ritter division, Sybron is raising prices of its other products by 1 to 2 percent on average. Some prices are still coming down.

Increasingly, at Sybron and other companies, the focus is on cutting costs — a tough transition for executives schooled in a period of inflation, when it was no problem and often a virtue to be first on the block to raise prices. It was an era when consum-

well, at least not yet. Many companies report increased sales volume but declining profits. After-tax corporate profits, which surged during the first 18 months of the recovery, slowed in mid-1984 and still have not returned to pre-recession levels. Two-and-a-half years into a recovery, price rises remain remarkably moderate and profits are heading down. According to the Commerce Department, profits were coming in at a \$137 billion annual rate in the first quarter, down from \$150.6 billion in the period a year ago.

And there is no end in sight. The pressure on prices, many economists say, is likely to last at least for the rest of this year and probably well beyond that. The pressure was brought about by three factors, none of which is likely to evaporate anytime soon: the high dollar, which made imports relatively attractive; deregulation, which promoted competition in finance, telecommunications and other industries; and lower inflation, which is both a result and a cause of the new pressure on pricing.

Even with the drop in value of the

COST CONTROLLERS: NEW CORPORATE HEROES

With cost control now a matter of survival, the cost-control managers — the purchasing agents, the labor negotiators — now are commanding the sort of corporate respect and attention that planners and acquisition specialists received in the salad days of the 1960's.

American Standard Inc., which makes air conditioners and bathroom fixtures, has put in an intensive training program for its 230 purchasing employees. The goal: make them consummate negotiators. "They didn't have to bargain before; they just had a routine task of doing paperwork," said Alan C. Root, the company's senior vice president for operations. "Now we're upgrading their negotiating skills."

American Standard expects its buyers to use those skills internally as well as externally. In addition to shopping carefully for supplies, the purchasing people are expected to persuade operating managers to buy some components rather than make them. "That's a very hard change for managers, especially when you're asking them to buy from Taiwan, South Korea or Singapore," said Mr. Root.

For large conglomerates, the new emphasis on purchasing power has meant breaking on the sacred notion of decentralization.

ITT, for one, spends nearly \$8 billion a year buying components, supplies and services. "We used to fragment our purchases, we'd let each unit buy its own supplies," said B. Thomas Smith, ITT's director of corporate purchasing. "Taking advantage of the total size of ITT's buying power was just not

important."

In the past two years, though, the company has been requiring divisions to submit requests for materials to headquarters. The materials are bought in bulk. "We had too many suppliers — in the steel industry alone, we had over 70," Mr. Smith said. "We're drastically reducing that, in steel cutting back to two or three. We'd rather be very important to a handful of suppliers."

Labor negotiators also play starring roles in the cost-cutting story. United Airlines, for example, weathered a lengthy strike this spring to win a two-year wage agreement with pilots that allows the airline to hire new employees at lower wages. Airline officials said the pact was necessary to remain competitive on fares, since American Airlines already had a similar agreement.

The Labor Department's Employment Cost Index, which measures annual increases in wages and fringe benefits in all private industry, has dropped from a peak of 9.8 percent in 1981 to 4.9 percent, and is still falling, with no end in sight. Economists say that this is an astonishing development for the third year of a recovery.

"What's changed has been expectations," said Alfred Kahn, a professor at Cornell University who previously served as chairman of the Civil Aeronautics Board as well as inflation adviser to President Jimmy Carter. "In the past, business believed that it could give in to workers. Now, partly because of a fear of the strong dollar and imports, and because the center of union activism, the industrial sector, has been hard hit, the entire climate has changed."

The New York Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED AUG. 9, 1985

Company	Sales	Last	Net Chng
Pan Am	14,203,400	8 1/2	+ 1 1/2
Beat Co	8,618,600	33 1/2	+ 3 1/2
MGU	8,020,300	24 1/2	+ 6 1/2
TWA	6,756,600	22 1/2	+ 1/2
East Air	6,100,300	11 1/2	+ 1/2
AT&T	6,068,400	21 1/2	+ 1/2
Mid S	6,003,200	12 1/2	+ 1 1/2
Bank Am	5,909,800	15 1/2	+ 1
IBM	4,508,400	127 1/2	+ 3 1/2
Manv	3,848,600	6 1/2	+ 1 1/2
Phil P	3,785,900	12 1/2	+ 1/2
Cullin	3,757,200	19 1/2	+ 7
Gift S	3,510,000	14 1/2	+ 1
Mary K	3,480,000	11 1/2	+ 2
Unocal	3,407,200	29 1/2	+ 1

MARKET DIARY

	Last	Prev
Advances	616	882
Declines	1,372	1,110
Total Issues	2,228	2,240
New Highs	84	157
New Lows	34	22

VOLUME

	Last	Year
Total Sales	489,317,880	16,614,057,331
Some Per. 1984	754,608,714	14,419,277,164

WEEK'S MARKET AVERAGES

	High	Low	Last	Change
New York Stock Exchange	126 1/2	124 1/2	124 1/2	- 2 3/4
Industrial	112 1/2	109 1/2	110 1/2	- 2 1/4
Utilities	58 1/2	55 1/2	56 1/2	- 0 1/2
Finance	116 1/2	114 1/2	115 1/2	- 0 1/2
Composite	110 1/2	108 1/2	109 1/2	- 1 1/4

Standard & Poor's

	21 1/2	208 9	209 4	- 3 1/2
40 Indust	180 0	173 7	174 9	- 5 05
20 Transp	83 2	81 2	82 8	- 0 36
40 Financial	22 4	21 9	22 2	- 0 42
500 Stocks	191 4	187 3	188 3	- 3 16

Dow Jones

	1352 7	1316 3	1320 7	- 32 26
30 Indust	700 1	672 1	679 8	- 19 55
15 Util	156 8	152 0	155 0	- 1 79
65 Comb	559 4	542 0	546 4	- 12 96

The American Stock Exchange

MOST ACTIVE STOCKS WEEK ENDED AUG. 9, 1985

Company	Sales	Last	Net Chng
Wicks	6,395,900	4 1/2	- 1 1/2
GulfCan	4,401,600	14 1/2	+ 1/2
BAT In	1,490,700	4 1/2	- 1 1/2
Wicks pf	1,248,600	29	+ 1
EchoBay	1,100,400	13 1/2	+ 1/2
Wang B	1,058,800	18	+ 1/2
TIE	898,800	5 1/2	+ 1/2
OzarkH	793,400	11 1/2	+ 1
TexAir	746,900	18 1/2	+ 1/2
Hasbro	600,500	33 1/2	+ 1

MARKET DIARY

	Last	Prev
Advances	254	308
Declines	504	443
Unchanged	147	160
Total Issues	905	909
New Highs	27	55
New Lows	37	25

VOLUME

	Last	Year
Total Sales	36,301,025	1,258,595,165
Some Per. 1984	50,922,040	941,921,715

The New York Times

Founded in 1851

ADOLPH S. OCHS, Publisher 1896-1935
ARTHUR HAYS SULZBERGER, Publisher 1935-1961
ORVILLE D. FREEDMAN, Publisher 1961-1963

ARTHUR OCHS SULZBERGER, Publisher
A. M. ROSENTHAL, Executive Editor
SEYMOUR T. TOPPING, Managing Editor
ARTHUR GELB, Deputy Managing Editor
JAMES L. GREENFIELD, Assistant Managing Editor
MAX FRANKEL, Editorial Page Editor
JACK ROSENTHAL, Deputy Editorial Page Editor
JOHN D. POMPER, Exec. V.P., General Manager
RUSSELL T. LEWIS, Sr. V.P., Circulation
LANCER R. PRIMIS, Sr. V.P., Advertising
J. A. RIGGS JR., Sr. V.P., Operations
HOWARD BISHOP, V.P., Employee Relations
JOHN M. O'BRIEN, V.P., Controller
ELISE J. ROSS, V.P., Systems

Hiding the War in the White House

When war comes, warned Senator Hiram Johnson in 1919, truth is the first casualty. The maxim applies to Nicaragua. America's covert war there has filled a whole hospital — and yet more evasion and deception came to light just last week.

When it began in 1981, this war was described as strictly an internal affair. When C.I.A. complicity could no longer be denied, the Administration explained it was necessary to cut off an alleged arms flow from leftist Nicaragua to El Salvador. That story began to totter in 1984 when Nicaragua's harbors were mined to scare away neutral shipping. Even that mining was falsely ascribed to "contra" rebels; its authors were American.

Then followed the infamous contra manual, ghost-written by a C.I.A. operative, counseling political murder. This ugly business, at first denied, was finally blamed on overzealousness. Next came the scary report that Soviet ships were carrying high-performance MIG's to Nicaragua, a false alarm attributed to a faulty leak.

Now comes the news that for a year, the overt covert war has been supervised by a military aide on the President's National Security Council staff. The officer met frequently in Central America with rebel leaders, exerted "tactical influence" on their operations, and directed private donors to them. At the least these responsibilities make him a coordinator; at the most, a field marshal.

To understand why this news carries such a pungent odor, recall that Congress — the Republican Senate as well as the Democratic House — tried urgently to end covert American management of this war. It ordered a cutoff last November of all C.I.A. funding or involvement in the contra insurgency.

That ban was partly lifted in June. While still barring a C.I.A. role, Congress ambivalently approved \$27 million in "humanitarian aid," to keep the contra effort alive. Meanwhile, supervision had already been shifted to the N.S.C. to give President Reagan "plausible deniability" of continued C.I.A.

involvement, as one insider explained to Joel Brinkley and Shirley Christian of The Times.

Plausibly deniable or not, the President insists that no laws have been broken. That's true, but only in the most technical sense. Congress said no to the secret war. To shift conduct of these activities to the National Security Council is a sly, even a cynical evasion. The arrangement, says Adm. Stansfield Turner, President Carter's Director of Central Intelligence, is "most improper."

A Government that routinely deceives its people invariably winds up deceiving itself. Does the White House really know what is being done in America's name in Nicaragua? Only last week, one overzealous rebel group seized and then liberated 29 American peace activists near the Costa Rican frontier.

Ducking the truth about Nicaragua has become habitual. Witness the devastating memoir of a former contra leader, Edgar Chamorro, in The New Republic. He was recruited in 1982 by an American who claimed to speak "in the name of the United States." He quit two years later feeling he had been used and misled. By Mr. Chamorro's account, the rebel leadership was handpicked by the C.I.A. and coached in how to give deceptive testimony to Congress. He found it "was standard contra practice to kill Sandinista prisoners and collaborators," a practice he did his best to change.

What's most dismaying about all these deceptions is that they distract from the hard choices in dealing with Managua's provocations. Instead of a reasoned case for a plausible policy, the Administration has chosen to mask war with whoppers, all the while condemning the Sandinistas as liars.

The Administration intends now to move supervision of the secret war into the State Department, not for reasons of face but space. The bureau overseeing this White House war will be called — what else? — the Agency for Humanitarian Assistance.

Give Squatters a Chance

It sounds so simple and sensible. New York has a housing shortage. The city owns almost 6,000 abandoned residential buildings. Some New Yorkers clamor for the right to rehabilitate them and return them to the tax rolls in exchange for ownership. Why not let them do so?

Yet to city officials, it isn't that simple. Those arguing for the chance to earn a home with their personal labor — sweat equity — are also squatters, who have broken into the vacant buildings they would renovate.

Let them take advantage, city officials say, of programs already in place to channel sweat equity. Yet those alternatives have been long in coming and fall far short of the demand. The longer the city delays expanding them, the more compelling becomes the squatters' case.

Some squatting is inevitable in a housing market as tight as New York's. In most cases, squatters are interested only in temporary shelter. In the East New York section of Brooklyn, however, Acorn, the Association of Community Organizations for Reform Now, has turned squatting into a tactic for would-be urban homesteaders.

Since June 15, squatters have moved into 25 vacant, city-owned buildings in the area. Last week, State Senator Thomas Bartosiewicz joined in the takeover of one building. "The houses are sitting here. They've been sitting here for years," said

Louise Stanley, chairman of Acorn. "Just a chance — that's all we're asking."

For some, the chance is already available. Last year, the city auctioned 78 buildings in East New York, 23 of them for \$5,000 or less and with the city providing 7½ percent mortgages. Another 33 buildings were sold by lottery in a pilot program. For \$250, each buyer got a building and a city-backed rehabilitation loan for up to \$35,000 at 3 percent interest. Even with those generous terms, city officials say, they had to go through 250 applicants to come up with 33 who seemed genuinely willing and able.

Housing officials correctly point out that it takes more than sweat to rehabilitate abandoned buildings. An average of \$50,000 per unit is needed. The homesteading program is designed to give those who try a realistic chance. That concern is commendable, but it can become an excuse. Bureaucrats are paid to be cautious; homesteaders have to take risks. The housing department says its homesteading plan will be expanded soon, but cannot say how much. In any case, the expansion will be limited by the city's ability to provide rehabilitation loans.

Why should a potential homesteader's risk-taking be limited by the city's ability to underwrite his success? Why not simply sell for \$250 the right to try to fix up a building? The homesteaders, after all, are asking for "just a chance."

Topics

Injuries Avoided

Softer Sells

Most auto companies argue that air bags don't work, and cost too much besides. But while they've been arguing, others have been installing these automatic crash restraints with fine results.

About 13,000 restraint-equipped Mercedes-Benzes have been sold thus far in America. None of the air bags have misfired. And in each of the 11 crashes in which the devices have deployed, they have worked as promised. Air bags made by the Romeo Kojima Company have been retrofitted in 500 state highway patrol cars. In 20 deployments, some at very high speeds, there have been no serious injuries reported.

Air bags are still expensive; Mercedes' "supplemental restraint system" is an \$880 option on most models. But prices should come down within a few years, when Ford, Volvo and BMW begin marketing them in this country. The best news is the progress reported on an air bag developed by the Breed Corporation, a manufacturer of artillery shell fuses for the Army. The Breed bag is triggered mechanically, rather than electronically. According to the Government's consulting engineers, eliminating electronic components means the Breed air bag could sell for \$100. Everybody in Detroit knows that

safety doesn't sell. Could it be that everyone in Detroit is wrong, again?

Living Sculpture

Few children can resist a sack race, few men a tug of war and few women the chance to race an egg on a spoon to a finish line. But why 12 people entered the contest, held last week on the football field at Franklin & Marshall College in Lancaster, Pa. — the Eastern Apicultural Society's annual bee beard competition — beats us. The 12 were required to stuff their ears and noses with cotton and tie tiny wire cages containing queen bees under their chins. Then they waited for 10,000 loosed worker bees to look for Big Momma.

Look they did, and as they joined her, the 12 competitors used credit cards to shape the clusters of bees into beards. The biggest and best beard was made by Stephen Conlon of Beebe, W. Va. His beard started at his hairline (he was wearing a hat) and extended a quarter of the way down his chest. He had bee sideburns, a bee mustache and a beard of bees that reached up to his eyes. His prize was \$50. He suffered only one bite — on his finger — from the well-fed, docile worker bees. We asked a spectator what she

thought about seeing 12 people grow bee beards. "Words escape me," she said. They escape us too.

Mannerly Mail

In popular belief, the U.S. Postal Service is as impersonal as a zip code and as efficient as those stamp machines that are always out of order. What to expect, therefore, when a letter arrives encased in a transparent envelope from the Office of the District Manager, Postmaster, New York, N.Y. 10199-9998?

Written on the envelope is a message addressed "Dear Postal Customer" that apologizes for the battered condition of the letter inside. The message goes on: "The Postal Service realizes your mail is important to you and you have every right to expect it to be delivered in good condition. Please be assured that corrective steps are being taken to minimize such damage."

Sentiments like that won't lower postal rates, assure prompt delivery or repair those stamp machines. But when any bureaucracy apologizes, it's worth noting. The bashed letter, as it happens, was from a bank, where no one ever apologizes for long lines or the glacial stares of indifferent tellers.

Letters

Apartheid's Long, Gnarled Roots in South Africa

To the Editor:

Growing international disapproval of apartheid has isolated South Africa from the rest of the world in a way analogous to the position of the South before the American Civil War.

The antebellum South could not extricate itself from a slave system that had gone out of date elsewhere. Captive of its history, it had no solution save to fight and lose the bloodiest war the world had ever known.

There is in South Africa's apartheid, too, much history that needs to be understood if apartheid is to be dismantled without violence. To begin, apartheid is not a new phenomenon that appeared only at the end of World War II. It goes back more than 300 years to 1652, when the first Dutch settlers arrived at the site of Cape Town.

Within a couple of years, the Dutch had instituted "separate development" by planting a hedge to keep out the indigenous population. Chattel slavery and a form of serfdom soon followed; pass laws appeared at the beginning of the 19th century; "native" reserves for African residence were first established in the 1840's.

Independence for the Union of South Africa in 1910 effectively disenfranchised the African population. This was soon followed by legislation establishing segregation in jobs, urban residence and freedom of movement, as well as land ownership and occupation.

Black workers were systematically harassed by parliamentary act and police action. Widespread social segregation by custom and law was ex-

emplified by the 1927 act outlawing interracial intimacy. The objective was political, social and economic segregation.

South Africa's long-lived apartheid emerged from social attitudes brought by early European settlers, who regarded African customs as barbaric; hence, social superiority and then racial superiority came to be marked by skin color. Prejudice was reinforced by a Calvinist faith that tended to interpret predestination on racial lines, by a widespread feeling of isolation among pioneer frontiersmen struggling for survival in a wilderness of wild beasts and primitive people.

These attitudes bred a fierce sense of group loyalty within the Afrikaner people, a self-esteem that was further intensified by British colonial restraints during the 19th century.

Such sentiments are very much alive today. The Afrikaner sees himself isolated in a hostile world, the protector of a Western civilization that has been abandoned by an effete Europe, surviving under siege, determined never to capitulate.

External pressures like international censure can only intensify the mentality of the laager, the camp within a circle of wagons; yet it is clear that, like the South's antebellum slavery, apartheid is a system whose day has passed.

One can scarcely imagine the Afrikaner Government voluntarily sharing political power with blacks. Nevertheless, a way must be found to avoid the fate that befell the American South. This will require statesmanship of a high order from black and white, both within South Africa and throughout the wider world.

ROBERT W. JULY

New York, Aug. 1, 1985

The writer is professor of history at Hunter College and the City University Graduate School.

Spring Hill Was Famous Before Saturn

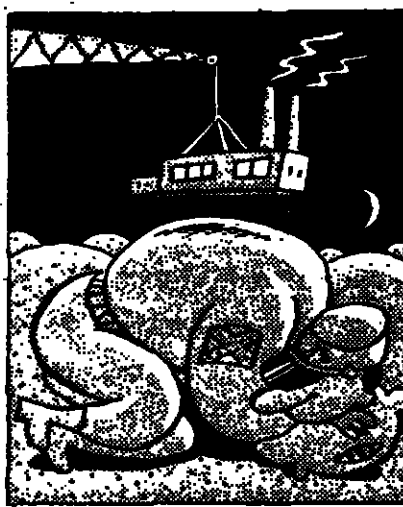
To the Editor:

Your July 27 news article about Spring Hill, Tenn., and the General Motors Saturn plant to be built there mentions its turn-of-the-century renown as a phosphate boom town, but omits the "Spring Hill Affair" of the Civil War.

On the night of Nov. 29, 1864, Gen. John M. Schofield of the Union marched a retreating army of 29,000 men through Spring Hill, past a sleeping Confederate army of 40,000 men under Gen. John Bell Hood. The Union soldiers even paused to light their pipes at the Rebel campfires as they marched past, and no alarm was ever sounded in the Confederate camp.

Hood awoke the next morning, furious at finding that the Union army, which he believed was trapped, had passed by him during the night. He marched to Franklin, Tenn., threw his entire army at the entrenched Union forces and in four hours of bloody fighting lost 6,252 men, including 12 general officers and 54 regimental commanders.

The Spring Hill Affair has always



been a mystery to Civil War historians. I once had some correspondence with Bruce Catton, and he said the explanation must be that Hood and his entire staff were drunk that night.

RAMSAY M. B. FISCHER

Mantoloking, N.J., July 27, 1985

Moratorium Offers Chance to End Arms Race

To the Editor:

"Downhill to the Summit" (editorial, July 31) describes the Soviet moratorium on nuclear testing as "a cynical propaganda blast." It is you who plays the cynic. The proposal offers a real opportunity to reverse the arms race, and it is in the security interests of the U.S. to grasp that opportunity.

You fail to mention that the Soviet moratorium invites reciprocity from the U.S. and pledges an extension of the moratorium beyond Dec. 31 (if our Government replies in kind). Saying, as you did, that "a brief pause... is useless" is way off the mark. Surely a mutual moratorium might be an excellent first step to a comprehensive test ban.

Why is a test ban desirable? • A test ban would not depend on trust. It is sufficiently verifiable even without on-site inspections. Modern seismic techniques can distinguish earthquakes from underground explosions as small as one kiloton.

• A test ban would impede the development of new generations of nuclear warheads, including those designed to power space-based systems, those capable of acting as first-strike weapons and those so small and mobile that future arms-control verification might be rendered impossible.

• A test ban would not decrease the security of any country.

• A test ban would strengthen the nuclear nonproliferation treaty. That treaty states:

"Recalling the determination... to seek to achieve the discontinuance of all test explosions for all time and to continue to this end... Each of the parties to the treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date."

You seem to have fallen prey to some

intellectual laziness: if the Russians propose something, you seem to say, Let's presume it's a hollow ploy. One needn't be pro-Soviet to examine issues more closely to see if the interests of both societies could be served by a common initiative.

CONN NUGENT

Executive Director

International Physicians

for the Prevention of Nuclear War

Boston, July 31, 1985

New I.R.A. Provision

To the Editor:

"Taking Funds Out of an I.R.A." ("Your Money," Business Day, July 27) describes two new alternatives for taking mandatory distributions from an I.R.A. at age 70½, available as a result of the Retirement Equity Act of 1984.

There is an additional alternative you omitted. It is now possible to remove funds based on the joint life expectancy of the I.R.A. participant and a younger non-spouse beneficiary. This allows the I.R.A. participant who needs little or no income to stretch out the payments, and therefore the taxes, over a longer period.

But several conditions must be met. First, the surviving spouse may not receive benefits from the plan; benefits will be paid to the named nonspouse beneficiary when the I.R.A. owner dies. Second, the joint-life-expectancy factor may not be recalculated every year. Third, at least half the benefit must be withdrawn over the single-life expectancy of the I.R.A. participant.

Many high-tax-bracket retirees can more efficiently manage their I.R.A. distribution programs through the use of this important new provision of the law.

ELLEN A. BRESLOW

New York, July 31, 1985

Stop Trashing the Current Crop of New York Police Candidates

To the Editor:

Patrick Fenton ("The Way Police Exams Used to Be," Op-Ed, July 27) describes how he and his cronies prepared for a police exam laced with questions about displacement of water, square roots and the placement of commas in sentences. In the good old days, the good old boys tutored one another in the doorways of good old Irish saloons. All of this nostalgia is cute, although I can't help wondering if any blacks, Hispanics or women were invited into the doorways to join the study groups.

The whimsy turns sour when Mr. Fenton uncritically accepts an allegation that current police tests are too easy. He suggests that "instead of lowering standards," the city should provide free tutoring sessions for anyone who signed up to take the test. With a little checking, Mr. Fenton might have discovered that the city did provide six weeks of free tutoring in several dozen places in all the boroughs. The attendance averaged about 5,000 a week.

In quick succession, Mr. Fenton then suggests that academic standards have been lowered, that less-qualified people are being hired as po-

lice officers and that the city is suffering because of it. His solution is to bring candidates "up to" the level necessary to pass the old tests. Presumably, this means knowing all about the 100-pound block of ice, least common denominators and commas. He suggests this, having conceded that he and his buddies had no idea why this knowledge would help them be better cops.

The "good old days" were anything but. The tests that screened candidates for such jobs as police officer provided virtually none of the quality control Mr. Fenton seeks. Further, these tests acted as unfair obstacles to those who were not invited to join the doorway-tutoring sessions or did not have the money to go to the Delehanty Institute.

The police test is alive and well. It doesn't have blocks of ice or least common denominators anymore. It does

test memory, reasoning, spatial relations and verbal ability. Most candidates for today's test can see that test items are related to the work for which they are applying. The candidates want to be cops for many of the same reasons that Mr. Fenton's buddies wanted to be cops. It is still "a way out" to many. They study just as hard and have at least as much talent as the Park Slope crowd of the 50's.

It is time to stop the casual trashing of current Police Academy candidates. They are motivated and able, and, once they finish their academy training, will provide the city with a level of protection and dedication that is equal to that provided by the "old timers."

FRANK J. LANDY

University Park, Pa., July 29, 1985
The writer, an industrial and organizational psychologist at Pennsylvania State University, developed the New York City police examination.



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America's Doomed Mideast Policy

By Irving Kristol

American policy in the Middle East is headed, willfully and witlessly, toward a fiasco. But there are grounds for optimism: the policy may collapse before it gets too far down that road.

The "peace process" to which the State Department has committed itself involves bringing Israel on the one hand, Jordan and the Palestinians on the other, to the negotiating table. There, it is hoped, they will arrive at a settlement of the future of the West Bank — or Judea and Samaria, as most Israelis now call it.

Arriving at that table will not be easy. Israel is publicly committed to negotiations — but only if the question of Palestinian representation can be settled. It is a knotty question. Israel will not accept Arabs who, in its opinion, have links to the Palestine Liberation Organization. Jordan, however, cannot omit such Arabs since it is committed — along with all other Arab governments — to the thesis that the P.L.O. is the only valid representative of the Palestinian people. In addition, Jordan keeps suggesting that the Soviet Union be brought into the negotiations. In Amman's view, this is the only way to nullify Syria's adamant opposition to any such talks. But Soviet participation is utterly unacceptable to both Israel and the United States, since it would open the door to all kinds of new mischief.

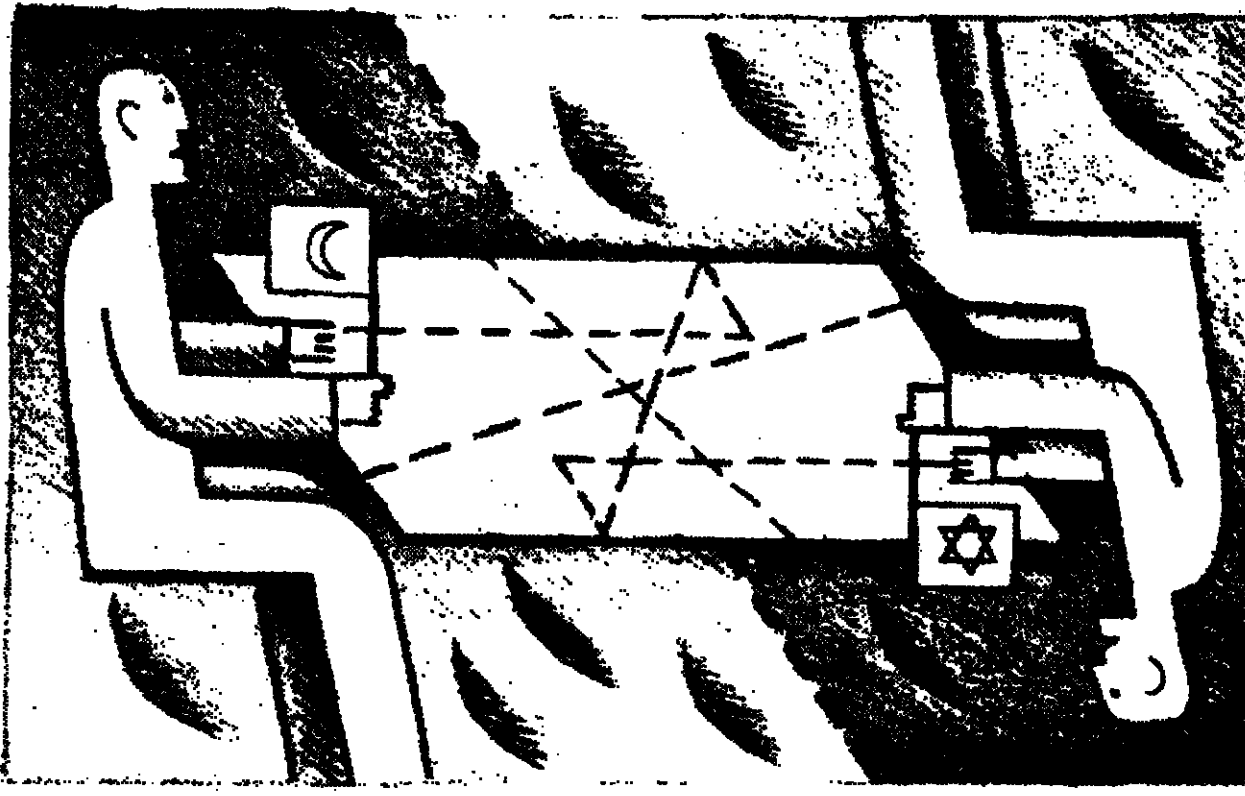
So it is unlikely that the "peace process" will ever reach the stage where Israelis and Jordanians and Palestinians sit down and begin to negotiate. That is good news. For those negotiations, which would inevitably begin with much fanfare and high expectations, would certainly fail, leaving all of us worse off than we were before.

The reason failure is so certain is that there is no imaginable outcome that could be acceptable to both Israel and Jordan. Events have simply outstripped the State Department's "peace process," which is based on assumptions developed many years ago. Those assumptions are no longer congruent with Middle East realities.

The key assumption is that Israeli-Jordanian negotiations will result in Israel's trading territory in exchange for a peace treaty, and that Jordan will then recognize Israel's "right to exist." This has always been the solution envisaged by the United Nations. For a long time, it was the solution proposed by Israel and rejected by the Arab states. It is still the solution desired and advocated by our State Department. But it is, by now, an anachronism.

There is, to begin with, the problem of Jerusalem. The 1967 war, in which Jordan participated despite Israeli and American pleas to stay out, resulted in the Israeli acquisition of East Jerusalem (the "old city," with its holy places). No Israeli Government will ever — no matter what — return this portion of Jerusalem to Arab rule. No Jordanian Government, and no Palestinian body, will ever — no matter what — recognize Jerusalem as an Israeli city. There is

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Rob Gale

simply no room for compromise here.

Still, one supposes that Israel and Jordan, recognizing that an agreement on Jerusalem is impossible, just might relegate this issue to some future agenda and proceed to a discussion of the West Bank. That discussion, it is easy to predict, would also get nowhere. For Jordan cannot accept anything less than a return of the entire West Bank to Arab rule; if it did, it would be universally denounced in the Arab world as a traitor to the Arab cause. At the same time, no Israeli Government can possibly return the entire West Bank to Arab rule — for two reasons.

The first reason has to do with military security. The so-called "high ground" of the West Bank — a hilly, relatively thinly populated area with some 40,000 Arabs, adjacent to Israel's narrow "waist," and constituting perhaps 15 percent of the West Bank — is almost universally accepted in Israel as an area over which Israel must retain military, if not political, control.

After all, Jordan has always in the past joined in Arab wars against Israel, and "peace treaties" in the Arab world, even among Arab states, have never been taken too seriously by anyone. Such treaties come and go quite casually, while Israel's vulnerable geography is a permanent concern of the Israeli nation. Many "peace plans" have been proposed by many Israelis of differing opinions. None that fails to continue Israeli military control of the "high ground" is taken seriously.

The second reason is even more important. It concerns the future of Israeli "settlements" on the West Bank. These settlements have attracted much publicity, but it has been focused mainly on the relatively small encampments by religious and nationalist zealots in the midst of Arab-populated areas. It is these settlements, in particular, that have provoked terrorism and counterterrorism. But they involve, in total, only a couple of thousand Israelis and have the sympathy of only a minority of the Israeli public. They could indeed be negotiated away, although not easily.

The settlements that do count are not really "settlements" at all. They are the newly constructed suburbs within commuting distance of Israel's major cities — Jerusalem, Tel Aviv, Haifa — but located, technically, on the West Bank. (The largest such suburb is just seven miles from the center of Jerusalem.) These are ordinary Israeli towns, with pleasant garden apartments, supermarkets, banks and populations that ride buses to work in the nearest Israeli city. These suburban towns were constructed in areas where relatively few Arabs live, and nothing that happens in these places makes headlines. Their total population, about 30,000, is growing rapidly. The area they encompass amounts to another 10 to 15 percent of the West Bank.

In short, Israel has already annexed some adjacent areas of the West Bank. It is giving this territory (or has already given it) a Jewish majority, and no political party or faction in Israel (except the Communists) will waste breath in negotiating its status. Similarly, no Israeli party or faction will negotiate away military control of the "high ground."

Does anyone, including the State Department, seriously think that Jordan and the Palestinians could sit



look at the difference between revenues and expenses, rather than receipts and expenditures. There is an important distinction here. Revenues include not only money received in a given year — 1984, in this case — but also money that will be received in the future as a result of 1984 operations. Similarly, expenses represent not only cash paid out during 1984 but also funds that are committed to be paid out in the future as a result of current operations.

A good example is deferred compensation, which accounts for much of the difference between a \$27 million loss and a \$9 million profit. Let's take a player and call him Casey. Casey's contract pays some of his salary now and defers the rest into the future when his playing days are over. But part of that deferred salary must be counted as current cost, because the owner must set aside enough money now that, with accumulated interest, will guarantee Casey his payments in the year 2000. Casey plays in 1984 and generates revenue in 1984. That revenue must be sufficient to provide for his salary in the year 2000. If not, he will either not get paid or the players in the year 2000 will be stepping up to the plate to support Casey rather than themselves.

Because the various figures are indeed reconcilable, we can, after all, account for baseball. Unfortunately, that accounting is a bleak one. The industry is losing money and clubs are clearly not owned to achieve satisfactory financial returns. There must be psychic returns that make people want to own ball clubs. The critical question is whether these psychic returns will continue to be sufficient to compensate for large and growing financial losses.

The answer to that question requires a type of analysis I won't undertake because I have an agreement with my wife, a psychoanalyst, that if she doesn't practice financial analysis I won't practice psychoanalysis. Baseball is such a marvelous game that I have to believe it won't be savaged by those who have must at stake. But then I am an incurable optimist — as a lifelong Cub fan, I've had to be. And everyone knows there is no accounting for a Cub fan.

How to Account for Baseball

By George Sorter

The baseball strike is over, a welcome development. But questions linger. Chief among these is how much money the owners of the 26 major league teams are really losing.

It was the owners' claim that they were suffering huge losses that, as much as anything else, provoked the two-day strike. They proposed various devices to contain the rapid rise in player salaries, which the players naturally resisted. Fortunately, these issues have now been resolved, but it's worth reviewing the bottom-line issue of profit and loss, partly because it's fundamental to the future of the game, and partly because, to most fans, it was the most baffling issue in the negotiations.

The owners originally produced figures showing collective losses of \$85 million annually, a figure later reduced to \$43 million. The players said the owners were in fact making a profit of \$9 million. This was not only confusing but also raised serious doubts about the sanity of the accountants who prepared the figures and the economists who interpreted them.

Actually, each figure was legitimate. But each also described something different, thus giving credence to the old adage that if all of the world's economists were laid end to end they still couldn't decide what income meant, while at the same time unmasking the conceit that complex economic activities can be unambiguously quantified in a single number.

The owners' figure of a \$85 million loss was the total loss of all baseball clubs, according to the audited financial statements of each club. It included interest expense and the results of non-baseball operations that some of the clubs engage in. If, correctly, you eliminate interest, because it does not result from activities on the baseball field, and if you eliminate non-baseball operations, you arrive at the \$43 million loss figure. The \$9 million profit that the players cite is not really a profit but

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The industry is losing money, but how much?

Since this expense arises only when a club is bought and ownership changes, I considered it an expense attributable to changes in ownership and not to baseball operations. I therefore reduced the loss by the amount of "initial roster depreciation." After making adjustments for this item as well as others that were not directly related to baseball operations, I arrived at a \$27 million total loss for all 26 teams — roughly a \$1 million average loss per team. These were hard losses, representing the excess of cash spent or to be spent as a result of baseball operations over and above the cash received from baseball operations.

How can this \$27 million loss be reconciled with the players' figure of a \$9 million profit? The \$9 million represents the difference between money received and spent in 1984. The proper comparison, however, is to

The solution sought by the U.S. is an anachronism

down and negotiate about Israeli military control of a significant part of the West Bank? Does anyone seriously think that Jordan and the Palestinians could accept outright Israeli annexation (already accomplished de facto) of 10 to 15 percent of the West Bank? Had Jordan and the Palestinians agreed to negotiate 10 years ago, things might have been different. Today, their agenda and the Israeli agenda have diverged dramatically.

Then why pursue negotiations that can only collapse into acrimony and even greater tension? The plain truth is that, as things now stand, there is no peacemaking role for the State Department to play in the Middle East. It should wait and watch and be patient. A peaceful settlement of the Arab-Israeli dispute has eluded American policy for almost four decades now. All the evidence suggests that no kind of turning point is at hand.

Keeping America's Pledge

No Negotiations With the PLO!

On July 8 President Reagan included Yasir Arafat's PLO in a list of "the world's most vicious terrorist groups."

Yet today there is mounting pressure on the White House to legitimize terrorism by inviting the PLO and its parent body, the Palestine National Council, into the Middle East peace process.

The PLO's Bloody Record of Terrorism

On April 20, while Yasir Arafat was supposedly preparing for peace negotiations, PLO terrorists were intercepted at sea before they could carry out their orders to blow up the Israel Ministry of Defense in Tel Aviv and kill as many Israeli civilians as possible. So far this year there have been 58 PLO terrorist attacks around the world.

The purpose? "To purge the Zionist presence from Palestine" (Article 15 of the Palestinian National Covenant). That Covenant—the PLO's blueprint for Israel's destruction—was written and adopted by the Palestine National Council.

There is no difference between the PLO and the PNC. Both advocate "armed struggle" (Article 9). Both are represented on

ESSAY | William Safire

The Iceberg Cometh

WASHINGTON

In our last gloom-and-doom installment, Captain Reagan was at the bridge, smiling amiably into the fog, as the ship of state headed straight for the iceberg of a second-term, trillion-dollar deficit.

Since that time, the sharp-pencil boys have been in to see the President to tell him that the \$50 billion supposedly cut from next year's budget is a phantom, and that the deficit is now projected to go over \$200 billion. Worse, even that figure is based on the expectation of a surge in the rate of growth to 5 percent for the rest of the year. If that turns out to be rosy, which is likely, the real level of red ink will rise over a quarter trillion.

This recalls a routine by the comedian Red Buttons. He told of a bare dinner table in his youth, with the family dressed in overcoats because they couldn't afford heat, and the mother dividing the half-loaf of stale bread among a dozen kids, who swept up and ate the crumbs. "Then," he said, "then came the Depression!"

If economic growth drops to zero or below sometime in the next year — no depression, but the kind of downturn that is at least a real possibility — then revenues would plunge, Government spending would have to increase, and we would be in the soup kitchen without the soup: We would be borrowing money at a rate to alarm the sunniest growth-nik.

When asked about this in private by top Republicans, Mr. Reagan gets out a pencil and draws his favorite graph, and the lines intersect and the budget is balanced somewhere over the iceberg. Then he adds, more realistically, "I'm really bleeding up there."

That means he understands that most Republican senators blame him for failing to support them in cutting entitlements. These Republicans, mostly conservatives, do not relish campaigning next year on the slogan "In the last five years, we've doubled the national debt."

The President knows he has been led up the Rose Garden path twice by Tip O'Neill. Three years ago, James Baker told him a deal with Tip had been set: \$3 in spending reductions for every new tax dollar raised. But Mr. Reagan was double-crossed; the tax increases went in without the spending reductions. He remembers that vividly.

Last month, he was had again: At the famous meeting under the old oak tree behind the White House, with jets roaring overhead, Speaker O'Neill said there could be no cost-of-living adjustments. The President agreed to take that off the table if — if — that reduction could be replaced by

How to steer around it

some other nondefense reduction.

Tip took the COLA concession and pretended never to have heard the "if," making the President appear to be a weak demagogue, and leaving his reputation as a cost-cutter "bleeding" among more responsible Republicans.

As a result of these two visits to Tip's Cleaners, Mr. Reagan now must deal with a Treasury hemorrhage. Next month, when the Senate must raise the debt ceiling before Federal checks go out, he will be embarrassed on the deficit issue by his own kind.

How does he get out of this bind before the monster deficit ceases to be an abstraction and becomes a gut issue of "What are we doing to our children?"

Long range, he will press for a balanced budget amendment. Liberals dismiss this as rhetorical pap, but all other methods have failed: Mr. Reagan, Majority Leader Dole and others will stump Michigan next month to get the 33d state to pass a call for a constitutional convention to mandate budget sanity. If it comes down to only one state shy of forcing the greatest weakening of Congress in 200 years, Congress will pass that amendment, averting a convention by accomplishing its purpose, and at least the next Administration will be forced to stop the hemorrhage.

Short range, the President will have to rely on Democrat Daniel Rostenkowski, chairman of the once-powerful House Ways and Means Committee. "Rosty" has been in that seat for five years and no tax bill bears his imprint yet.

Now is Rosty's chance to seize tax simplification: With Reagan encouragement, he is likely to scrap the capital gains reduction, permit state and local interest deductions but with a cap on the total permitted each taxpayer, and use a relatively painless oil import fee to change the present slight bias toward tax reduction into a bias in the other direction.

The result would be a who-me?-tax-increase without Republican finger-pointing, bound tightly to a no-fault entitlement reduction without Democratic hand-wringing. That change of course leads to salvation. The current course takes us smack into the iceberg.

George Rothman Institute of the Zionist Organization of America

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Are Films Ready for Real Orientals?

By DAVID HWANG

It was at the movies that my father first saw America. In Shanghai cinemas he watched "North by Northwest" and "It's a Wonderful Life," whetting his appetite to cross an ocean. Years later, as his Chinese-American son, I sat in southern California theaters, and saw an America that did not include me—an exciting land, a romantic land, but not my land.

On the few occasions when people who looked like me appeared on the screen, it was a foreigner who was on display. These Orientals spoke English like goofy children. Leaving the theater, I imagined all eyes upon me, wondering if I had helped shoot down John Wayne.

This month brings the opening of two new movies portraying, at least in part, the lives of Asians in America—Wayne Wang's "Dim Sum: A Little Bit of Heart" and Michael Cimino's "Year of the Dragon." "Dim Sum" explores the relationships within a Chinese-American family in San Francisco; "Year of the Dragon" looks at gang warfare in New York's Chinatown.

Will these films represent a departure from past portrayals of Asians in

David Hwang is a playwright whose works include "FOB," "The Dance and the Railroad" and "Rich Relations," which is scheduled to be presented in New York this season.

the cinema? And how far has Hollywood come toward bringing to the screen three-dimensional Asian characters?

To answer the second question, one must begin by differentiating between films that are simply about Asians and those that truly concern Asian-Americans. There are quite a few of the former, due partly to the long history of United States military involvement in Asia. But there are only a handful of the latter, reflecting the fact that even a third-generation Chinese-American, for example, is still considered something of a foreigner. When I tell people I am from Los Angeles, some of them still ask, "Yes, but where are you really from?" I am hungry for films that recognize the reality of my world.

Among the earliest Asian film stars were Anna May Wong and Sessue Hayakawa. Miss Wong often portrayed characters of mystery and dark sexuality, as in "Shanghai Express." Her persona is consistent with the movies' portrayal of Asian women as feminine to an extreme. She is more than sexual—she is a mistress of erotic arts. She is more than manipulative—she is the dowager empress. She is the ultimate earth mother, possessing 5,000 years of wisdom. The familiar madonna-whore dilemma, translated into Oriental terms, makes all women either lotus blossoms or dragon ladies.

Hayakawa was a silent-film star and matinee idol who rose to stardom with "The Cheat" and enjoyed a long career that culminated in his por-

trayal of the camp commander in "Bridge Over the River Kwai." As an example of an Asian male in the cinema, Hayakawa is atypical. In his silent films, he presents Japanese men with Valentino-like charisma and sex appeal, a view that has rarely been duplicated. If the Asian female is typed as feminine to the point of caricature, her male equivalent has been systematically emasculated by American media. The roles usually associated with Oriental men are feminine ones: cooks, houseboys, laundrymen. Over the years, Asian men have gone from being laboring coolies to technical coolies: the white lab coat, the pocket calculator, and the business suit are among our images in the 80's.

Asian men are sympathetic when they are unthreatening to white men. Gunga Din is so attached to his white idols that he does what a good lotus blossom should—he dies in the service of the Caucasians. Asian men can often be acceptable if they are literally children. Hence, the only sympathetic nonwhite in "Indiana Jones and the Temple of Doom" is a Chinese boy, Short Round.

The most popular Asian male of the movies of an earlier day was probably Charlie Chan. But though he was often cleverer than both his adversaries and his fellow detectives, he, too, was unthreatening to white men. The image, that of a dumpy, middle-aged man who tended to speak lines straight out of a fortune cookie, was benign. That he was mostly played by white actors in yellow face is the

greater irony. Chan was servile, non-sexual, irritatingly ingratiating, and never used the word "I." As an example of a positive portrayal, Charlie Chan was preferable only to a character like Fu Manchu, who was totally evil.

More recently, Bruce Lee leaped into the American consciousness and demonstrated a box-office appeal in martial arts films that continues to this day. The late Mr. Lee, an attractive figure who was both powerful and principled in his screen personae, made some headway toward creating a more positive cinematic image of Asians. But he spent many years in America trying to ignite his career, receiving little work beside the sidekick role of Kato in "The Green Hornet" series. Only in Hong Kong was he able to appear in the films that have become classics. His death in 1973, concurrent with the release of "Enter the Dragon," which went on to become one of the top money-making films of all time, left many questions unanswered. One is why he never appeared in a love scene, though it would seem almost obligatory for heroes in the action adventure genre.

The United States has been at war almost continuously with one Asian nation or another since 1941, and from these experiences have come a wealth of films that have gone a long way toward determining the public's perception of the Asian as enemy. The question is whether such films have promoted the belief that people with darker skins are less civilized and therefore of less value as human beings. The average Japanese soldier seen in World War II films, for instance, is of a particular cut—short, nearsighted, babbling, sadistic and violent—in short, less than human. An exception might be Hayakawa's role in the David Lean "Bridge Over the River Kwai"; his character was no less the enemy for being three-dimensional and capable of feeling pain.

One interesting footnote to the history of World War II films is "Go for Broke," a postwar release that starred Van Johnson and a cast of Asian-Americans and told the story of the all-Japanese-American 442nd Infantry Central Postal Directory, the war's most decorated unit in terms of size and length of service. Whatever the film's faults, it offered a sympathetic portrayal of people with wives and sweethearts—brave souls who had a sense of humor. Essentially, these were Americans, without the condescending cuteness of an assimilated character like Charlie Chan's No. 1 son. The movie dealt with racism, cultural conflicts and the internment of Japa-

Arts & Leisure

nese-Americans in United States concentration camps.

Those war films that transcend shoot-'em-ups and attempt a serious examination of the American role in wartime can be held particularly accountable for their portrayal of the enemy. Two such films were Francis Ford Coppola's "Apocalypse Now" and Michael Cimino's "Deer Hunter," both works of the late 1970's. In "Apocalypse Now," one feels the fervor of the Vietnam against the hapless and self-glorifying slaughter brought by Robert Duvall's air cavalry. It is a pity that the movie disintegrates into a depiction of Marion Brando as the white god-king of a tribe of adoring natives.

In "The Deer Hunter" one cannot help but note the lack of humanity accorded the Vietnamese, most of whom seem to live for the sadistic thrill of playing Russian roulette with their prisoners. It is a short step from the grinning goons of "The Deer Hunter" to "Rambo," a cartoon that returns us to the old days of evil Japanese torturers.

Of the films about Southeast Asia, Roland Joffe's "Killing Fields" is probably the most sensitive and humanistic. Though the film has some faults, it is a daring attempt to explore the psyche and spirit of a Cambodian caught in the agony of a ravaged land. "The Killing Fields" also attempts to account for Pol Pot's slaughter of his people by placing it in the context of historical hysteria, brought about by years of bombing.

There are few recent films dealing with Asian-Americans. Last year, John Avildsen's "Karate Kid" featured a moving performance by Pat Morita as a kindly Japanese martial arts practitioner who teaches his young pupil about both karate and life. This is probably the most sympathetic portrayal of an Asian-American in a youth-oriented picture.

John Hughes's "Sixteen Candles" was marred by the presence of an alleged Chinese exchange student, who embodied almost every Asian stereotype of the last 60 years. He was buck-toothed, spoke a mealy-mouthed English devoid of first-person pronouns, and perpetually lusted after white females. Every time he walked into the frame, we heard the clanging of an

Oriental gong, lest the image be too subtle.

Louis Malle recently attempted a sympathetic portrayal of a Vietnam immigrant's struggle against Texas fishermen in the film "Alamo Bay." Yet, again, the Vietnamese character seemed more a child than a man—unassertive, passive, persecuted, an Oriental variation on the noble savage. Without a true human being at the core of the film, the dilemmas of all the characters came off as too contrived, as if Mr. Malle had set out to create a drama, and instead made merely an argument.

This depiction is an example of my fundamental objection to the way Asians have been treated in American films. A sympathetic two-dimensional Asian is only slightly better than the same cutout designed to be hated. Directors attempting to make movies with Asian characters need only ask themselves one question: If this character were white, would he or she seem to be a fully fleshed-out creation? If the answer is no, then minorities are being used as little more than set decorations or special effects, and the film makers are enforcing a double standard that implies that Asians are less than fully human.

In the absence of such humanity, all we see on screen is a foreign face. A completely good character does little more to elicit understanding than one who is completely evil. Neither seems like someone you could lunch with, whose home you could visit, whose life you could value.

I look to the two films being released this month hoping that they are filled with characters whose hearts beat. Mr. Wang's first film, "Chan Is Missing," broke new ground in expressing the diversity of Chinese-Americans. But "Chan" functioned somewhat as an outsider's introduction to a Chinese-American community. By contrast, "Dim Sum" is a personal statement that presents family and cultural conflicts from an insider's point of view. Upon seeing "Dim Sum," my companion mentioned that it was like spending an afternoon with relatives.

Though I have not seen Mr. Cimino's film, I once met with him to discuss the script. At that time, he seemed intent on making a film that would speak truthfully about the Chinatown community.

Vitality Without Popularity For Country-Music's Women

By JOHN ROCKWELL

On the country-music sales chart of the Billboard magazine most recent to this writing, the top 13 positions are occupied by men. Given the prominence of weepy sentimentality in country music's history, this suggests that the macho-outlaw movement may have gone too far. Perhaps the paucity of women at the top of the charts just now is a mere coincidence. If it isn't, it suggests a musical genre in deep trouble.

A glance at some of the younger women country performers with new record releases indicates that there is still plenty of artistic vitality on the distaff side. There are a couple of fervent and appealing traditionalists, a couple of singer-songwriters stretching (or eroding) the definition of country in ways other than Las Vegas-style pop, plus two younger mainstreamers who seem caught up in the same clichés that may be undercutting country music as a whole.

The top women artists on the chart just now, in the No. 14 position, are the Judds, a mother-daughter team from eastern Kentucky. Their "Why Not Me" LP (RCA ARL1-5319) builds on the success of their debut 12-inch "mini-LP," "The Judds" (RCA MHL1-8515), which came out last year. Whether singing separately or harmonizing for each other or joining in actual duets, Naomi (the mother) and Wynonna Judd represent a pleasing revitalization of country traditionalism.

A return to country's folkish basics is the result of a curious and uneasy alliance between big-city sophistication and true rural primitivism. It is the intellectual "folkies" who cultivate uncontaminated folk music, joined by more practical urbanites who see in it a source for country's artistic renewal or commercial revitalization. The actual folk musicians often wish to move up the status ladder, economically, socially and musically—as they perceive it—as fast as they can. In recent years, this has usually meant the devolution of honorable folk minimalists into flossy, soulless superstars (see Dolly Parton).

Both the Judds and the Whites, the other traditionalists under consideration here, boast tangible connections not just to rural Appalachia and modern Nashville, but to the West Coast music scene. The Judds spent many years in Los Angeles and Marin County before making their way in Nashville, and one can't but assume that their twanging authenticity has been reinforced by a knowing realization that such basics might make for both musical virtue and financial rewards.

Whatever their inspiration and motivation, their two disks thus far are very attractive. The Judds are interpretive singers, not songwriters (although Naomi gets a credit here and there). But they bring such vocal appeal and good arranging sense to their instrumentals that they make the songs they select their own.

The Whites consist of father Buck and his two daughters Sharon and Cheryl. The family comes from Texas, but they have a big-city connection through Emmylou Harris, that archetypal country sophisticate, with whom they performed for years, and through their producer and Sharon's husband, Ricky Skaggs, whom they met through Miss Harris.

This is not a pure female group, since Mr. White does some of the vocals. But the singing on their latest album, "Forever You" (MCA/Curb MCA-5490), is mostly by the sisters, and they do a fine job of it. Occasionally, the accompaniments fall into the tight, slightly trivial sound one associates with Miss Harris's worst records. But on the whole, this is an-



Charlyo Zlotnik (Fricke)

While singers like Janie Fricke, above, "rest too placidly" with the stereotypes of country music, Lacy J. Dalton and Rosanne Cash, at right, test its range.



The top women artists on the charts have been the Judds—daughter Wynonna and mother Naomi, who "represent a pleasing revitalization of country traditionalism."

The New York Times/Larry C. Morris

other delight from this group, the alternation of vocal and instrumental forces suggesting a warm, familial musicale.

Rosanne Cash has a strong Emmylou Harris connection, too, through her husband and longtime producer, Rodney Crowell, who, like Mr. Skaggs, played in Miss Harris's Hot Band and many of whose songs Miss Harris recorded. But Miss Cash's larger country-music inheritance, of course, comes from her father, Johnny Cash.

Miss Cash's latest LP, "Rhythm and Romance" (Columbia FC 39463), was produced by David Malloy and recorded in New York and Los Angeles as well as Nashville. It marks a determined stride in the direction of hard rock, away from the country-folk-pop flavor of her previous work, and comes complete with a semi-punk new look for Miss Cash on its jacket.

As such, it represents one way for country musicians to evolve, deliberately and unashamedly stretching the already amorphous boundaries of the genre into mainstream contemporary rock. "Rhythm and Romance" is a good, solid record, and Miss Cash is herself more of a songwriter than most of her women country counterparts. But this disk lacks the charisma of that other Cash offspring, Carlene Carter, whose withdrawal from the public eye makes one miss her sassy rock flair all the more.

Lacy J. Dalton had a varied folk-blues-rock background before she attained stardom as a country singer, and she has never rested unthinkingly content with just country. Her latest,

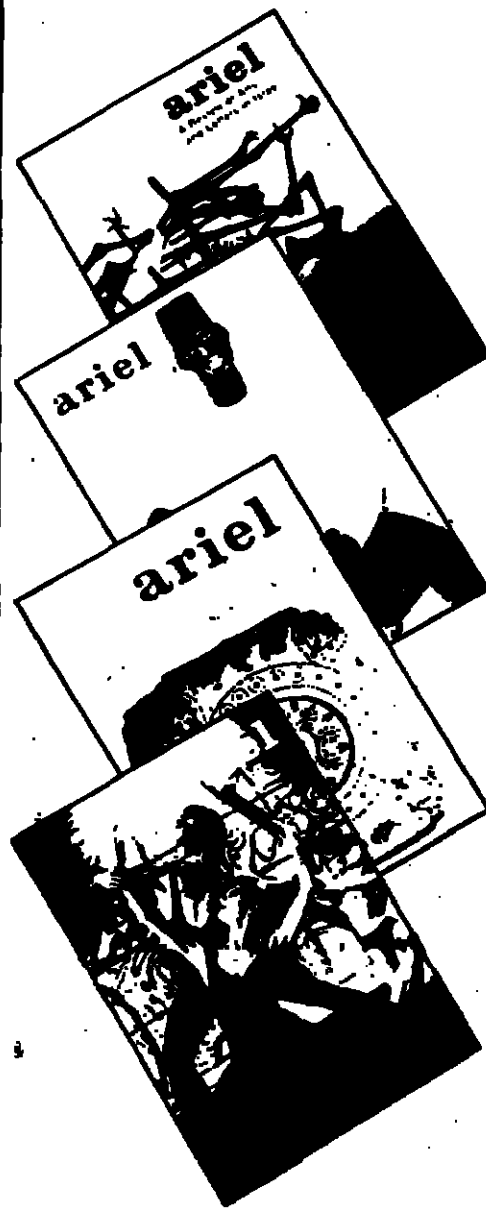
"Can't Run Away From Your Heart" (Columbia FC 40028) is certainly a country record, ending up with a nice duet with Willie Nelson. But its musical idioms hint at diversity, too. What really distinguishes this record is Miss Dalton's throaty mezzo, with its country confidentiality, rock intensity and Buffy Sainte-Marie-like hortatory vibrato.

If the Judds and Whites reaffirm country music's basics and Miss Cash and Miss Dalton test its range, Janie Fricke and Crystal Gayle rest too placidly content with its stereotypes. Miss Fricke's "Somebody Else's Fire" (Columbia FC 39975) is all too accurately titled: It has its moments on the second side, but too often lapses into canned arrangements and vocal shtick—too bad, because Miss Fricke has a good, strong voice.

Miss Gayle is a woman of real charm, vocal endowments and once seemingly natural stylistic instincts who doesn't appear to know what to do with herself. She isn't being produced any more by Allen Reynolds, whose work blended sensitivity and predictability in a light, country-pop idiom. But on her "Nobody Wants to Be Alone" album (Warner Bros. 25154-1), with Jimmy Bowen credited as producer and engineer (the disk was "directed" by Miss Gayle herself), she has gone in for bathetic middle-of-the-road rhetoric and inflated artificial echo worthy of Barry Manilow at his worst. That also means instrumental arrangements that call for stentorian vocal amplitude that she just doesn't command; corny mannerism is her attempted substitute. A sad waste of a genuinely promising talent.

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THE AMERICANS are still coming. U.S. Jews are coming to Israel at a time when unemployment is growing, the economy is in crisis and apartments cost a fortune. Yet, they seem to have a better chance of staying than those who arrived during times of plenty.

The Americans are coming

By JUDY SIEGEL-ITZKOVICH / Jerusalem Post Reporter

Some 2,000 American Jews have immigrated here since January.

Along with their suitcases, the new olim carry a healthy dose of realism. They know their standard of living will fall way below what they were used to. They also know they have a lot of adjusting to do and a lot of hunting before they find jobs to their liking.

The immigrants expressed their determination to make a go of it. The majority of the recent arrivals are religious and Zionist-oriented.

Two of the families from the El Al flight are finding their bearings at the Mevasseret Zion Absorption Centre about eight kilometres outside Jerusalem. Each of the couples has five children.

Roy and Arlene Saslow, formerly of Teaneck, New Jersey, were *shlep-*
ping new plastic baskets of food from the centre's mini-market, having learned the value of the coloured Monopoly-money called "shekels."

ROY RAN a computer management consulting firm after studying at Baruch College, Columbia University and Yeshiva University. His wife is raising Ze'ev, Amira, Ariana, Haya and Haviva, aged three to 13, and is a teacher.

Roy has already signed a job contract with the Elta computer company in Ashdod and will start working there soon. He and Arlene say they want to remain at the absorption centre for a while anyway to polish up their Hebrew. They are well-versed in the biblical Hebrew, but have a lot to learn about the modern variety.

Roy says he could have waited in the U.S. for a few decades while his computer business continued to prosper, retiring in Israel as "a rich man." The Saslows, however, decided to come on aliya while still in their prime.

"We saw that our older children were in circles that believe in aliya, beginning with spending summers and a year of study in Israel. So, we decided that unless we moved here, we'd end up visiting our children here," says Roy.

More than their children's future, they also had the biblical commandment of settling in Eretz Yisrael in mind. According to Jewish law, says Roy, one may remain in the Diaspora only when there are

The lost tribe

RANDOMALIA
Miriam Arad

SOME PEOPLE know perfectly well what's what, but not for the life of them where's where. You can recognize them by the way they get from point B to point C. Say they know how to get from their home to the bank - A to B - and also from home to Rina and Yossi's - A to C. So far so good, but if ever they'll want to get from B to C, they won't have the first idea how to go about it. In the end, feeling rather foolish, they will simply walk from B back to A, and thence confidently to C.

They are not necessarily dumb, as said, nor are they illiterate: fact, they can read a map. They are generally quite fond of reading maps, what's more, because maps are full of the oddest surprises for them. Like they may suddenly discover to their utter

astonishment that B and C are only two streets apart, that Town Hall isn't to the south but to the west of their favourite department store, and that the shape of their own neighbourhood is a fairly regular oval, rather than a haphazard collection of houses and trees and such. They can read a map, in other words, but they don't see any connection between it and reality.

As far as Town Hall being to the west of the department store is concerned, the truth is that they rarely think in such terms at all, since their notions on the four points of the compass are pretty hazy. Even if they do know when they set out that they are travelling north, it only needs one bend and half a twist in the road for them to lose all sense of direction. Come to think of it the world they live in has only two directions altogether: left and right.

It takes a little to confuse them. They go to the cinema. They know this cinema: the auditorium is bright on past the ticket collector, two flights up, one right turn, and voila. The movie over, they surge to the exit along with the crowd but, heaven help them, they aren't leaving the way they've come in, but by a side or back door, to be spewed out onto an utterly strange and unfamiliar street. What now? Somehow their instincts tell them they should turn left for home, and it's just as well they haven't gone to the movies by themselves: their companion turns right and, surprised for the umpteenth time in their life, they meekly follow him - meekly, because they know all about their instincts by now: they're as little to be trusted, the dizzy creatures, as they are themselves.

They are the original Lost Tribe. They suffer from some innate flaw in their mental makeup; an inability, perhaps, to relate the whole to its parts. They would probably make a good case-study for the Gestalt psychologists, but I doubt any psychologist, Gestalt or otherwise, has ever bothered with them, seeing that though they feel the world's a maze, they are definitely not rats, most of them. It must have been one of their number who planned New York City, where all it takes to find your way about is an ability to count.

Anywhere else but New York, they tend to stick to *terra cognita* if they can help it. And such is life that others often pick on them to ask for directions. Why on them? Maybe because they look so happily sure of themselves, very likely being on their way from B to C via A.

They hope to find jobs and move to the new Gush Etzion community Efrat.

RELATIVES DID not oppose their plans. "My mother said: 'Goldie, I love you. I'll miss you two and the kids. But all I want is that you should succeed. I know in my heart there's no better place for a Jew.'" Goldie says.

Goldie marvels that she studied in non- or anti-Zionist religious schools and had never heard *Haiikva* until she attended Yeshiva University's Stern College for Women.

The Felds got their first taste of Israeli rudeness when, on a sweltering day in Jerusalem, they went to a kiosk and asked for "soda" — the word New Yorkers use for carbonated soft drinks.

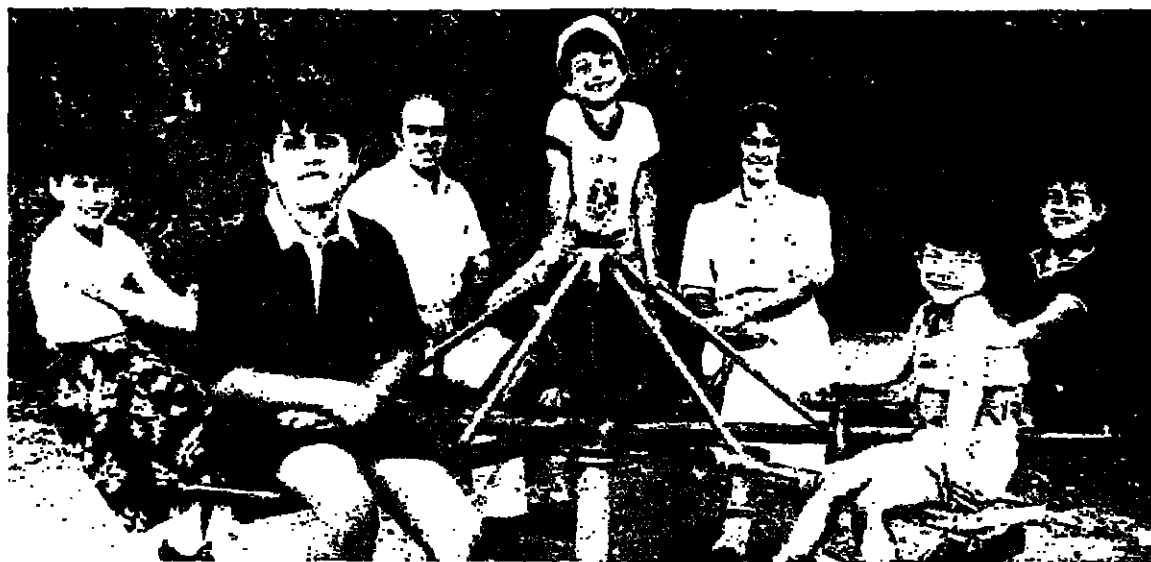
When they were served, they said quietly that they wanted flavoured drinks, and the kiosk man shouted at them. "If we hadn't been so thirsty we would have just walked away," says Goldie.

Yet, when they went to a bank to open an account, a frank clerk told them: "Why not try another bank. This branch is much too crowded." The clerk's consideration surprised them.

The Felds were pleased by the warm official reception at the airport for the plane, half filled with olim.

"When the tourists on the plane asked us whom we were visiting in

Israel, we told them: 'We're not visiting. We're staying to live.' They were amazed," recalls Shimon. "But we are determined. And that's exactly what we've come to do."



Shimon and Goldie Feld (above); Roy and Arlene Saslow.

(Lisa Pleskow)

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